

TREASURER AND MINISTER FOR STATE DEVELOPMENT

OVERVIEW

| <i>Agency</i> | <i>Budget 1998-99 \$m</i> | <i>Budget 1999-2000 \$m</i> | <i>Variation %</i> | |
|--|-----------------------------------|-------------------------------------|------------------------|-------------|
| Treasury | | | | |
| Total Expenses | 87.7 | 89.9 | | 2.6 |
| Asset Acquisitions | 19.1 | 7.0 | (-) | 58.4 |
| Crown Transactions Entity | | | | |
| Total Expenses | 2,702.3 | 2,811.3 | | 4.2 |
| Asset Acquisitions | ... | ... | | ... |
| Department of State and Regional Development | | | | |
| Total Expenses | 92.6 | 86.8 | (-) | 6.3 |
| Asset Acquisitions | 0.3 | 0.1 | (-) | 68.3 |
| Crown Leaseholds Entity | | | | |
| Total Expenses | 2.2 | ... | (-) | 100.0 |
| Asset Acquisitions | ... | ... | | ... |
| Crown Transactions Entity Commercial Activities | | | | |
| Total Expenses | 10.0 | 11.6 | | 16.1 |
| Asset Acquisitions | ... | ... | | ... |
| New South Wales Financial Institutions Commission | | | | |
| Total Expenses | 3.7 | 3.8 | | 2.7 |
| Asset Acquisitions | 0.1 | ... | (-) | 100.0 |
| New South Wales Insurance Ministerial Corporation | | | | |
| Total Expenses | 742.8 | 783.0 | | 5.4 |
| Asset Acquisitions | ... | ... | | ... |
| Superannuation Administration Authority | | | | |
| Total Expenses | 45.1 | 48.8 | | 8.2 |
| Asset Acquisitions | 1.3 | 6.2 | | 376.0 |
| Treasurer's Advance Account | | | | |
| Total Expenses | 125.0 | 160.0 | | 28.0 |
| Asset Acquisitions | ... | ... | | ... |
| Olympic Funding Reserve | | | | |
| Total Expenses | 1.1 | 29.7 | | 2,621 |
| Asset Acquisitions | 22.6 | ... | (-) | 100.0 |
| Total, Treasurer and Minister for State Development | | | | |
| Total Expenses | 3,812.5 | 4,024.9 | | 5.6 |
| Asset Acquisitions | 43.4 | 13.3 | (-) | 69.4 |

The variations in total expenses and asset acquisitions are mainly due to:

- ◆ Increased funding in the Olympic Funding Reserve to meet planned expenses that are not yet able to be allocated to individual agencies;
- ◆ Payments to the Treasury Managed Fund as a hindsight insurance premium adjustment; and
- ◆ Setting aside \$10 million to meet costs associated with Y2K problems.

TREASURY

Treasury consists of the Office of Financial Management (OFM) and the Office of State Revenue (OSR). OFM serves the Treasurer and the Government by providing economic advice and advising on, and accounting for, the overall management of the State's finances. OSR administers and collects taxes and implements legislation relating to State taxes.

Expenditure Trends and Recent Developments

Office of Financial Management

During 1998-99 OFM continued to advise the Treasurer and the Government on a wide range of economic, Budget and finance issues. Compliance of general government agencies to Budget allocations and the financial performance of the Government's businesses was monitored.

Monthly and other statutory reports on the State's finances were prepared to inform the Government, Parliament and the public of the State's financial position. Advice was submitted on the financial and economic implications of all matters being considered by Cabinet.

During the year OFM also continued to pursue improvements in public sector financial management. To that end, OFM was restructured in October 1998 to better align the organisation with its strategic priorities.

Supported by the new structure, a number of initiatives were undertaken to implement a financial management improvement framework for public sector agencies. These included the negotiation of resource allocation agreements with a number of key agencies and working with a number of other agencies to apply the Risk Management and Internal Control toolkit.

Further improvements have been made to the Budget process for the 1999-2000 Budget. The process, which was necessarily streamlined due to the timing of the State election, has enabled a more strategic approach to formulation of the Budget. OFM's new structure and the full application of its financial information system facilitated Budget preparation.

OFM also advised the Government on national tax reform issues and options for the associated reform of Commonwealth State financial arrangements. In that regard, OFM co-ordinated the State's submission to the Commonwealth Grants Commission's review of State relativities used to distribute Commonwealth funding amongst the States. The State was successful in convincing the Commission that New South Wales should be entitled to an increased share of Commonwealth general purpose payments.

During 1998-99 OFM continued to advise the Government on industry reform options including the application of competition policy principles. The sale of the TAB was successfully concluded.

Office of State Revenue

The Revenue and Compliance Processes and Systems project (RECOUPS) is now well advanced to deliver redesigned business processes and more flexible information systems to OSR. These also address year 2000 exposures.

The first of RECOUPS' five Releases goes into production in early June 1999. Releases two and three will follow later in 1999, with Releases four and five due for completion prior to July 2000.

The first Release covers core systems such as payment processing, client account, client registration, notifications, work flow and stamp duty one-off assessing. A major objective of the Release is to exceed the client service expectations at every opportunity and to maximise client satisfaction.

Other benefits of the project include more efficient processes, improved systems for managing debt and identifying revenue.

Releases two and three will provide generic systems for handling revenue through stamp duty, pay-roll tax and land tax.

OSR continued the implementation of two major service improvement initiatives during the year. Electronic payment was introduced for a range of State taxes including land tax and pay-roll tax. Over 75 percent of land tax and pay-roll tax payments are now received electronically, reducing handling costs for OSR and increasing client satisfaction with the range of payment options available. OSR intends to expand electronic payment facilities in 1999-2000 by increasing the range of State taxes that can be paid electronically and the range of electronic payment options.

The Returns Extension program, allowing approved clients to self-assess and stamp documents and remit the duty to OSR by way of periodic return, has expanded rapidly. Only low risk documents can be processed by return and the program is supplemented by periodic audits to ensure that program requirements are met. Over 30 percent of all documents are now processed by return, reducing handling costs for OSR and providing a faster, more effective service for our clients.

Strategic Directions

Office of Financial Management

The following priorities will be pursued during 1999-2000:

Improved Resource Allocation

There will be on-going reform of the Budget process, including the implementation of resource allocation agreements with an extended group of agencies. The aim is to improve the link between performance and resource allocation. In that regard, there will also be continuing investigation and application of productivity measures.

OFM will continue to advise on tax and inter-governmental finance reform, particularly ensuring that the interests of New South Wales are safeguarded in the Commonwealth's implementation of national tax reform.

OFM will continue to oversight and advise on industry reform.

Improved Accountability

OFM will proceed with the implementation of a comprehensive financial management improvement framework for public sector agencies. The framework will incorporate a number of initiatives aimed at strengthening accountability for public resources – for example, the linkage of outputs and outcomes with resource allocation, strengthened corporate governance policy for public agencies and improved financial reporting. The reform of the public sector financial management legislation will also be progressed.

Office of State Revenue

To achieve OSR's corporate objectives of maximising revenue, efficiency and client satisfaction, OSR will undertake six key action programs in 1999-2000. These are:

- ◆ Revenue Yield Program – improve the effectiveness of revenue collection strategies to reduce gaps under the existing tax regime;
- ◆ Tax Reform Program – coordination and implementation of any administrative and legislative changes arising from the Commonwealth's tax reform package and the identification of any potential for improving State taxes;
- ◆ Redevelop Systems and Processes – implementation of RECOUPS includes a program to review operational structures, redevelop core tax process, expand electronic commerce initiatives and develop flexible, Year 2000 compliant computer systems;
- ◆ Business Integration Program – integration of RECOUPS systems and processes into OSR business operations to ensure minimal disruption and optimisation of expected benefits;
- ◆ Transition Management Program – aimed at providing staff with the support they need to go through a period of significant change in OSR; and
- ◆ Business Opportunities Program – to examine opportunities for increasing the revenue administration role of OSR by capitalising on its skills, expertise and investment in technology.

1999-2000 Budget

Total Expenses

Estimated total expenses in 1999-2000 are \$89.9 million for Treasury. This is lower than 1998-99 revised expenditure due to the transfer of the Crown Finance Branch to the Crown Transactions Entity, together with funding for certain grant items that are unrelated to Treasury's core activities.

Asset Acquisitions

Office of Financial Management

For 1999-2000, \$340,000 has been allocated for OFM's computer and related equipment replacement program.

Office of State Revenue

OSR's 1999-2000 asset acquisitions program is almost totally directed at the development of RECOUPS (\$6.9 million).

CROWN TRANSACTIONS ENTITY

"Crown Transactions" reflect service-wide transactions for which individual agencies are not directly accountable. The major components relate to provisions for superannuation contributions, the employer's cash contribution to superannuation liability, long service leave payments, interest payments on Government debt to Treasury Corporation and the Commonwealth, and the payment of interest on bank balances held by General Government agencies that are members of the Treasury Banking System.

Expenditure Trends and Recent Developments

The State is required by the Commonwealth to make a contribution to higher education superannuation. Other payments include State Bank post sale management costs, refunds and remissions of Crown revenue, rate concessions on exempt properties within the Sydney and Hunter Water Districts, contribution to the Treasury Managed Insurance Fund, debt/investment management costs, and an operating subsidy to Far West Energy.

Proceeds from the sale of Government businesses are being utilised for debt retirement and the Government is phasing in full funding of accruing superannuation liabilities which should be achieved by 2020. For detailed commentary on asset and liability management refer to Chapter 5 in Budget Paper No. 2.

1999-2000 Budget

Total Expenses

Estimated total expenses in 1999-2000 are \$2,811 million, with the major components being:

- ◆ \$1,231 million for interest expenses on existing debt held with Treasury Corporation, the Commonwealth and other organisations. This is a 5.6 percent decrease on 1998-99, reflecting savings generated from the maturity of long term debt in a lower interest rate environment;
- ◆ \$670 million for employer superannuation expenses. This cost is a 23.9 percent decrease on 1998-99. The projected expense for 1998-99 makes provision for the distribution of the Employer Contribution Reserve Account and the recognition of the tax effects of the early payment of employer contributions (a total \$1,150 million reduction). Provision has also been made for a saving of \$1,000 million from the assumed acceptance rate of an offer to members by the Pooled fund to the transferred to the First State Superannuation Scheme;
- ◆ \$287 million for long service leave expenses of public service employees;
- ◆ \$180 million for subsidies to offset the additional tax impost applied by the Commonwealth on alcohol and petroleum products as a result of the High Court decision on the operation of section 90 of the Constitution;
- ◆ \$138 million for expenses relating to the Crown Property portfolio;
- ◆ \$34 million grant to the Traffic Accident Compensation Fund as a partial replacement for Third Party Motor Vehicle Registration Levy concessions granted in 1998-99;
- ◆ \$54 million for rationalisation of surplus staff within the Public Sector generally;
- ◆ \$25 million grant to the Treasury Managed Fund as a hindsight premium adjustment;
- ◆ \$19 million as the State's contribution to higher education superannuation;
- ◆ \$12 million for Natural Disaster grants; and
- ◆ \$12 million to Sydney Water for rate concessions on exempt properties.

Natural Disaster Relief

Natural disaster relief provided by the Government is funded through Crown Transactions (for certain General Government Sector agencies) as well as within the normal works programs of State agencies such as the Roads and Traffic Authority and the State Rail Authority. Additional funding of a further \$50 million was provided by the Government for this program during 1998-99 to account for exceptional costs relating to the relief operation following the hail storm which affected parts of Sydney in April 1999.

Under Commonwealth/State Natural Disaster Relief Arrangements, New South Wales is required to fund the full cost of disaster relief up to a "base amount" which was \$55.768 million in 1998-99. Above this amount the Commonwealth will contribute towards a greater portion of the State's costs of providing disaster relief. However relief for personal hardship and distress attracts a dollar for dollar Commonwealth contribution regardless of whether State expenditure reaches the "base amount".

In 1998-99 the State's overall Natural Disaster Relief Arrangements expenditure is expected to be approximately \$160 million, largely as a result of significant damage to roads infrastructure, other State and Local Government assets and private property following widespread flooding to the Central West and North West of New South Wales, floods in the Illawarra region and the hail storm in Sydney.

Impact of the State Bank Sale

- ◆ On 31 December 1994, the former Government sold the State Bank of New South Wales Limited to the Colonial Mutual Group;
- ◆ Even though the State Bank sale was completed on 31 December 1994, with the State receiving \$526.5 million in that year, the State continues to be adversely affected by further payments required to be made under the sale arrangements; and
- ◆ Under GFS standards, the costs associated with the State Bank sale, which reflect indemnities provided in the sale contract, are financing transactions. Hence while they result in debt levels and hence debt servicing costs being higher than they would otherwise be, they do not affect the Budget result.

DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

The Department of State and Regional Development's aim is to advance the economic development of New South Wales and bring new business to the State by attracting domestic and international investment, encouraging exports, improving enterprise skills, increasing innovation and providing a competitive business climate.

Expenditure Trends and Recent Developments

The Department continues to be successful in attracting and facilitating major investment projects in New South Wales. It is estimated that during the 1998-99 financial year the Department will have facilitated projects in both metropolitan and regional New South Wales with an investment value of \$2.3 billion and an employment impact of over 6,900 jobs.

The 1998-99 financial year also saw the successful introduction of several new initiatives including:

- ◆ Regional Economic Transition Scheme – aimed at providing assistance to regional centres, which have experienced sharp economic shocks from structural changes in industries which have served as mainstays of a region's economy;
- ◆ Country Lifestyles Program – a program aimed at targeted promotion to draw both businesses and skills to areas where specialised labour and supporting industries are in short supply and to draw businesses into areas where unacceptably high levels of unemployment exist. The program involves the marketing of regional New South Wales as a business and investment location;
- ◆ Australian Technology Showcase (ATS) – the ATS is a high profile effort to promote and generate local and international business opportunities for high growth, knowledge intensive and innovative industries. In just over a year of operation, the ATS has selected a total of 107 New South Wales technologies (97 companies), including 29 technologies in regional New South Wales. ATS companies have in this short time achieved more than \$20 million in additional sales;
- ◆ NSW High Growth Business – a program aimed at inducing the growth of exports, jobs and profit in internationally active small to medium enterprises; and

- ◆ Development and launching of a dedicated website for small business. The website provides detailed guidance for those people who are new to small business, as well as providing a range of business planning resources.

Investment attraction and other specific projects assisted / facilitated include:

- ◆ Establishment of Worldcom's headquarters in Sydney. A \$253 million investment estimated to create 182 jobs;
- ◆ Establishment of the Sabre Group's Asia Pacific regional headquarters in Sydney. Investment of \$100 million and estimated to create 69 jobs;
- ◆ ADI Ltd defence contract to upgrade the fighting capabilities of the Royal Australian Navy's Adelaide Class frigates at Garden Island. Investment of \$1,000 million estimated to create 500 jobs;
- ◆ Establishment of Visy Industries new kraft pulp and plant at Tumut. Investment of \$350 million, estimated to create 130 jobs;
- ◆ Announcement of the expansion of Varley Holdings Pty Ltd's operations in the Hunter Region following the acquisition of Queensland based operator Austral Pacific and relocation of their operations to New South Wales resulting in an estimated 120 jobs in the Newcastle area; and
- ◆ Announcement that Duke Energy will base its construction and operations centre in Wollongong for the \$400 million Eastern Gas Pipeline project.

Strategic Directions

The Department's activities are encompassed in four strategies. These are:

- ◆ Promoting investment;
- ◆ Boosting exports;
- ◆ Encouraging innovation; and
- ◆ Improving the State's business climate.

The Department fulfils these objectives by providing business information; marketing regional and metropolitan New South Wales as an investment location; facilitating projects; providing limited financial assistance; developing enterprises; promoting exports; and co-ordinating public sector exports. The Department also promotes innovation and acts as an advocate for business within Government as well as explaining and implementing Government policies applying to industry.

1999-2000 Budget

Total Expenses

The Department's estimated total expenses for 1999-2000 amount to \$86.8 million.

During 1999-2000 the Department's initiatives will include the following:

- ◆ The appointment of a specialist investment and trade adviser responsible for sourcing trade and investment opportunities and identifying companies in Hong Kong and China that are interested in setting up business in New South Wales. This will include marketing New South Wales as a preferred business location in the Asia-Pacific Region as well as facilitating exports from this State to Hong Kong and China;
- ◆ The establishment of an Illawarra Advantage Fund to help ameliorate the effects of industry restructuring within the Illawarra region. A one-off allocation of \$10 million will be utilised over the next three years;
- ◆ An allocation of \$11 million to be used over the next four years for works associated with the upgrade of the Katoomba Town Centre and Echo Point lookout areas; and
- ◆ The Women in Business Program has been allocated an extra \$1 million funding over the next four years. The additional funding will allow the highly successful Women in Business Mentor Program to be upgraded to a comprehensive Women in Business Program. It is estimated that the extra initiatives that will be undertaken will assist an additional 1,000 women over the next four years.

In addition, the 1999-2000 Budget includes allocations for the following programs:

- ◆ Australian Technology Showcase;
- ◆ Regional Headquarters Tax Concessions – incentives to encourage international companies to establish their regional headquarters in Sydney;
- ◆ Assistance to Industry - promoting, encouraging and stimulating the establishment and development of industry;
- ◆ Regional Development Assistance Scheme - providing assistance to businesses starting up, expanding in, or relocating to, a regional location;
- ◆ Regional Economic Transition Scheme;

- ◆ Country Lifestyles Program;
- ◆ NSW High Growth Business;
- ◆ Hunter Advantage Fund - established by the Government as a response to the need for job creation and industry development initiatives in the Newcastle area as a consequence of the closure of BHP's steelmaking operations by 1999; and
- ◆ Small Business Development - supporting a range of activities directed at the 250,000 small and micro firms in New South Wales. The programs are mainly delivered from the community and private sector with the Departmental resources directed to testing concepts and delivery mechanisms.

Activities funded from these programs include Business Enterprise Centres, Business Expansion Program, Small Business Development Corporation and the Business Skills Migration Program. The Women in Business Mentoring Program is also funded from this allocation.

Asset Acquisition Program

The Department's asset acquisition program for 1999-2000 includes \$110,000 for the replacement of plant and equipment.

CROWN LEASEHOLDS ENTITY

The Crown Leaseholds Entity was previously incorporated within the Crown Transactions Entity, and is administered by the Department of Land and Water Conservation under the Crown Lands Act 1989.

The Crown Leaseholds Entity collects annual instalments relating to the purchase of Crown Land and generates revenue from leases, licences and permissive occupancies of Crown Land.

Total cash transfers to the Consolidated Fund are estimated to increase by 58.9 percent to \$63.8 million in 1999-2000. This increase is mainly attributable to scheduled asset sales.

CROWN TRANSACTIONS ENTITY COMMERCIAL ACTIVITIES

The commercial activities of the Crown Transactions Entity comprise the New South Wales Non-Budget Long Service Leave (LSL) Pool, the New South Wales Structured Finance Activities Account.

The LSL Pool administers LSL Provision for agencies and commercial activities whose liabilities were previously assumed by the Crown Transactions Entity due to them being part of the Budget Sector.

The principal activities of the NSW Structured Finance Activities relate to the utilisation of the financial standing of the Crown in securing efficient funding of the State's assets (electricity assets, motor vehicles and the rolling stock of the State Rail Authority).

The transactions, involving foreign jurisdictions, are designed to result in lower costs of finance and/or refinance for the capital expenditure of the State. The Crown receives the financial benefits remitted to Consolidated Fund.

1999-2000 Budget

Expenses in 1999-2000 will fall by approximately \$106,000 to \$11.6 million. A similar increase in receipts will see the operating deficiency fall from \$121,000 to a surplus of \$3,000.

NEW SOUTH WALES FINANCIAL INSTITUTIONS COMMISSION

New South Wales Financial Institutions Commission (FINCOM) was established as a corporate body for the supervision and regulation of New South Wales non-bank financial institutions on 1 July 1992.

Expenditure Trends and Recent Developments

In the first year of operation total expenditure was \$4.1 million. This included set up costs. Since then expenditure has remained at approximately \$3.7 million per annum.

Strategic Direction

In March 1998, legislation was introduced to prepare for the implementation of the Australian Prudential Regulation Authority (APRA). This will require the merging of Commonwealth agencies and the relevant regulatory authorities in each State. The merger includes functions of the Reserve Bank, the Insurance and Superannuation Commission and organisations within the Financial Institutions Scheme.

While it is intended that FINCOM transfer to APRA on 1 July 1999, uncertainty exists over the exact date that FINCOM will be integrated into APRA during 1999-2000.

1999-2000 Budget

Total Expenses

Given the uncertainty of the transfer date a full 1999-2000 Budget is reported. Expenditure is estimated at \$3.8 million, three percent higher than 1998-99 due to transfer and wind-up costs.

Levy revenue will fall. The total gross levies for Credit Unions, Building Societies and Friendly Societies will remain at 1998-99 levels however, levies for Co-operative Housing Societies are excluded as responsibility for these will be transferred to the Department of Fair Trading prior to 30 June 1999.

NEW SOUTH WALES INSURANCE MINISTERIAL CORPORATION

The Corporation was created in 1992 to accept the assets, liabilities, rights and obligations of government insurance activities. The two activities are:

- ◆ The Treasury Managed Fund, which provides cover for all insurance exposures faced by budget dependent agencies (other than compulsory third party insurance); and
- ◆ The management of liabilities from a number of closed schemes. The closed schemes are the Governmental Workers' Compensation Account, the Transport Accidents Compensation Fund and the Pre-Managed Fund Reserve.

These activities are currently managed under contract by GIO General Limited.

Expenditure Trends and Recent Developments

The major revenue items are premiums, investments earnings, levies received from motorists and Government grants. Expenses are primarily related to claims costs.

Claims expenses include movements in the liability for outstanding claims. The liability includes claims incurred but not yet paid, incurred but not yet reported claims and the anticipated fund management fees in respect of the management of those claims. The liability is assessed in conjunction with independent actuaries.

Asset management policy for the IMC was recently reviewed and approval given to adopt an allocation of 60 percent bonds and 40 percent growth assets. The Treasury Corporation will continue to manage the portfolio and will move existing holdings, primarily in the hourglass facility, to a discrete facility with the approved asset allocation over a twelve-month period.

Strategic Directions

A greater emphasis has been placed on reducing claim costs in the Treasury Managed Fund by promoting better risk management and claims management practices.

The contract for management of the Treasury Managed Fund was, and will continue to be, subject to competitive tender.

1999-2000 Budget

The estimated operating deficit of \$3.1 million for 1999-2000 compares favourably with \$64.6 million achieved in 1998-1999. This result will be achieved by a 10.25 percent increase in revenue to \$786 million. While expenses are expected to increase by 0.6 percent to \$783 million.

SUPERANNUATION ADMINISTRATION AUTHORITY

The Superannuation Administration Authority (SAA) was created in July 1996 to carry out superannuation scheme administration services for NSW public sector trustees. SAA provides superannuation administration services to trustees of the First State Superannuation Fund, the Pooled Fund and the Parliamentary Contributory Superannuation Fund. The services include collecting contributions and paying benefits, maintaining member records, telephone and field advisory services and technical advice to trustees.

Expenditure Trends and Recent Developments

To date SAA has operated on a cost recovery basis for the Pooled Fund administration and on a fee for service basis for its other business. In the coming year SAA will be converted to a statutory State owned corporation and will move to a fully commercial basis for all its business.

The major upgrade of all computer administration systems will be completed in the coming year. This project began in 1997 and will be completed by November 1999. SAA has also taken steps to remediate some systems as a fallback strategy if there is a slippage of dates in this project. The project will improve administrative and financial controls over members' records and keep staff up to date with changes to legislation and trustee instructions.

The Government has recently announced that the organisation will relocate to Wollongong by 2002, as part of the Government's commitment to regional New South Wales.

Strategic Directions

After conversion to a statutory State owned corporation SAA will have a governing Board to oversee its direction and operations. SAA will be subject to a monitoring regime that provides accountability and reporting requirements to the NSW Government as shareholder. SAA will have an expanded business mandate that will allow it to take on additional superannuation and related business in both the public and private sector.

The focus in 1999-2000 will be to successfully implement the new governance structure for the organisation and to continue to improve customer focus and service delivery. A Statement of Corporate Intent, including financial performance targets, will be negotiated between the shareholders and the organisation. Specific objectives for the coming year are to:

- ◆ Successfully complete the scheme administration replacement project;
- ◆ Increase key stakeholders' satisfaction with service provision;
- ◆ Extend quality improvement program throughout the business; and
- ◆ Build industry awareness of SAA as a service provider to both public and private sector superannuation funds.

1999-2000 Budget

Total Expenses

The estimated total expenses for 1998-99 is \$48.8 million, an increase of 8.2 percent, based on current funding arrangements with the trustees.

Asset Acquisitions

Asset acquisitions amount to \$6.2 million, an increase of 376 percent. The increase is attributable to carry forward of the computer upgrade project into the current and budget years, and variation in the project hardware capacity.

TREASURER'S ADVANCE ACCOUNT

\$160 million has been allocated in 1999-2000 to the Treasurer as an advance to allow for supplementary expenses of an unforeseen nature for the ordinary services of government. Actual expenses will be recorded in the expenses of the appropriate agencies.

OLYMPIC FUNDING RESERVE

An Olympic Funding Reserve was established in the 1998-99 Budget to provide for costs to be borne by agencies in strategic planning, preparation and providing services for the Olympic and Paralympic Games.

The Reserve provides for funding of services that are not yet sufficiently scoped or planned to enable firm allocations to agencies by the Budget Committee.

In 1999-2000, \$29.659 million is available from the Reserve and \$73.045 million will be available in 2000-01. These amounts provide for:

- ◆ Urban Domain works under the control of the Olympic Co-ordination Authority, including the upgrade of Central Business District facilities to cope with Olympic crowds; and
- ◆ the provision of property and facilities for bus and fleet depot sites to be co-ordinated by the Olympic Roads and Transport Authority.

As items from the Reserve are approved by the Budget Committee, funding will be transferred from the Reserve to the agencies concerned

TREASURER AND MINISTER FOR STATE DEVELOPMENT**70 TREASURY**

| | 1998-99 | | 1999-2000 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses - | | | |
| Employee related | 49,166 | 50,951 | 47,938 |
| Other operating expenses | 19,085 | 25,302 | 24,347 |
| Maintenance | 986 | 903 | 1,025 |
| Depreciation and amortisation | 6,656 | 7,585 | 5,678 |
| Grants and subsidies | 10,230 | 10,230 | 10,930 |
| Other expenses | 1,558 | 2,251 | ... |
| Total Expenses | 87,681 | 97,222 | 89,918 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 2,958 | 3,343 | 3,203 |
| Other revenue | 300 | 1,245 | 330 |
| Total Retained Revenue | 3,258 | 4,588 | 3,533 |
| Gain/(loss) on disposal of non current assets | ... | (718) | ... |
| NET COST OF SERVICES | 84,423 | 93,352 | 86,385 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

| | 1998-99 | | 1999-2000 Budget \$000 |
|--|-----------------|------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee Related | 44,001 | 45,427 | 42,770 |
| Grants and subsidies | 10,230 | 10,230 | 10,930 |
| Other | 21,734 | 30,660 | 25,395 |
| Total Payments | 75,965 | 86,317 | 79,095 |
| Receipts | | | |
| Sale of goods and services | 2,955 | 3,404 | 3,202 |
| Other | 306 | 5,271 | 328 |
| Total Receipts | 3,261 | 8,675 | 3,530 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (72,704) | (77,642) | (75,565) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 28 | ... |
| Purchases of property, plant and equipment | (19,102) | (17,626) | (8,766) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (19,102) | (17,598) | (8,766) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 71,244 | 79,376 | 73,539 |
| Capital appropriation | 19,117 | 18,148 | 7,957 |
| Asset sale proceeds transferred to the Consolidated Fund Entity | ... | ... | (660) |
| Cash reimbursements from the Consolidated Fund Entity | ... | 791 | 527 |
| NET CASH FLOWS FROM GOVERNMENT | 90,361 | 98,315 | 81,363 |
| NET INCREASE/(DECREASE) IN CASH | (1,445) | 3,075 | (2,968) |
| Opening Cash and Cash Equivalents | 5,964 | 3,664 | 6,739 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,519 | 6,739 | 3,771 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (84,423) | (93,352) | (86,385) |
| Non cash items added back | 11,398 | 12,433 | 10,061 |
| Change in operating assets and liabilities | 321 | 3,277 | 759 |
| Net cash flow from operating activities | (72,704) | (77,642) | (75,565) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT**70 TREASURY**

| | 1998-99 | | 1999-2000 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 4,519 | 6,739 | 3,771 |
| Receivables | 124 | 208 | 211 |
| Other | 1,068 | 674 | 362 |
| Total Current Assets | 5,711 | 7,621 | 4,344 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Cost/valuation | 54,552 | 52,024 | 59,981 |
| Accumulated depreciation | (21,395) | (19,937) | (25,615) |
| Other | 148 | 17 | 49 |
| Total Non Current Assets | 33,305 | 32,104 | 34,415 |
| Total Assets | 39,016 | 39,725 | 38,759 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 2,365 | 4,988 | 4,296 |
| Employee entitlements | 3,923 | 4,060 | 4,425 |
| Total Current Liabilities | 6,288 | 9,048 | 8,721 |
| Total Liabilities | 6,288 | 9,048 | 8,721 |
| NET ASSETS | 32,728 | 30,677 | 30,038 |
| EQUITY | | | |
| Reserves | 4,409 | 4,409 | 4,409 |
| Accumulated funds | 28,319 | 26,268 | 25,629 |
| TOTAL EQUITY | 32,728 | 30,677 | 30,038 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.1 Fiscal Strategy

Program Objective(s): To improve the allocation of State resources and achieve a responsible financial position for New South Wales through advice on an overall fiscal strategy.

Program Description: Advising on overall fiscal, revenue and expenditure strategies. Developing methods to enhance and measure public sector performance. Monitoring and forecasting economic conditions. Undertaking economic modelling and research to assist in policy formulation and decision making. Advising on State economic development strategy. Forecasting and monitoring tax revenue and advising on tax policy and inter-governmental financial relations.

| (EFT) | Average Staffing | |
|--|------------------|-----------|
| | 1998-99 | 1999- |
| 2000 | | |
| <u>Activities:</u> | | |
| Research and forecasting | 7 | 12 |
| Revenue and strategy | 10 | 12 |
| Executive, corporate and directorate support | 4 | 6 |
| | <u>21</u> | <u>30</u> |

| <u>1998-99</u> | | 1999-2000 |
|----------------|---------|------------------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Operating expenses - | | | |
| Employee related | 2,112 | 2,127 | 2,711 |
| Other operating expenses | 1,158 | 1,818 | 1,409 |
| Maintenance | 22 | 9 | 26 |
| Depreciation and amortisation | 113 | 120 | 142 |
| Total Expenses | 3,405 | 4,074 | 4,288 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
70 TREASURY

70.1 Central Financial Management Services

70.1.1 Fiscal Strategy (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Other revenue | 6 | 44 | 17 |
| Total Retained Revenue | 6 | 44 | 17 |
| NET COST OF SERVICES | 3,399 | 4,030 | 4,271 |

| | | | |
|---------------------------|-----------|-----------|-----------|
| ASSET ACQUISITIONS | 46 | 69 | 63 |
|---------------------------|-----------|-----------|-----------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.2 Financial Management

Program Objective(s): To improve the allocation of, and accountability for the use of State resources by developing and promoting procedures and systems which result in better financial management. To improve public sector accountability for State financial management by producing State financial reports which provide accurate, timely, comprehensive and relevant information.

Program Description: Advising on the development and application of financial management improvement and accounting and budgetary systems and procedures. Co-ordinating Budget preparation, including reporting and data collection. Preparing reports on the State's finances. Developing and maintaining the Office of Financial Management's Financial Information System.

| (EFT) | Average Staffing | |
|---|------------------|----------|
| | 1998-99 | 1999- |
| 2000 | | |
| <u>Activities:</u> | | |
| Crown Finance * | 21 | ... |
| Financial management improvement | 28 | 32 |
| Executive, corporate and directorate support services | 13 | 10 |
| | <hr/> 62 | <hr/> 42 |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|---|-------|-------|--------------|
| Operating expenses - | | | |
| Employee related | 5,474 | 6,075 | 3,893 |
| Other operating expenses | 2,786 | 2,894 | 2,234 |
| Maintenance | 172 | 118 | 107 |
| Depreciation and amortisation | 338 | 1,168 | 1,134 |
| Grants and subsidies | | | |
| Australian Accounting Research Foundation | 30 | 30 | 30 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.2 Financial Management (cont)

OPERATING STATEMENT (cont)

| | | | |
|--|---------------|---------------|--------------|
| Other expenses | | | |
| Payments to Audit Office for comprehensive Audits * | 500 | 1,200 | ... |
| Payments of benefits and related administrative expenses to the Supplementary Sporting Injuries Fund * | 83 | 182 | ... |
| Production of Auditor-General's Reports * | 975 | 869 | ... |
| Total Expenses | 10,358 | 12,536 | 7,398 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | | | |
| Minor sales of goods and services | 27 | 31 | 27 |
| Other revenue | 14 | 122 | 23 |
| Total Retained Revenue | 41 | 153 | 50 |
| NET COST OF SERVICES | 10,317 | 12,383 | 7,348 |
| <hr/> | | | |
| ASSET ACQUISITIONS | 121 | 196 | 87 |

* These expenses are being transferred to the Crown Transactions Entity from 1999-2000.

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.3 Resource Allocation

Program Objective(s): To improve the allocation of State resources in accordance with Government priorities so as to achieve a financially responsible Budget which delivers positive social and environmental outcomes for the State. To enhance public sector net worth by providing shareholder advice on the performance of Government businesses.

Program Description: Advising on resource allocation issues in the general government sector. Advising on, and monitoring, the financial position and performance of general government sector agencies, including the negotiation of service and resource allocation agreements. Advising on, and monitoring, the financial position of government businesses, including the negotiation of statements of financial performance and statements of corporate intent. Forecasting and monitoring distribution payments by government businesses.

| (EFT) | Average Staffing | |
|--|------------------|-----------|
| | 1998-99 | 1999- |
| 2000 | | |
| <u>Activities:</u> | | |
| Education, financial services and government | 7 | 8 |
| Natural resources and environment | 10 | 11 |
| Property and planning | 6 | 3 |
| Human services | 11 | 12 |
| Justice and emergency services | 8 | 8 |
| Transport and ports | 8 | 9 |
| Executive, corporate and directorate support | 13 | 13 |
| | <u>63</u> | <u>64</u> |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|--------------------------|-------|-------|--------------|
| Operating expenses - | | | |
| Employee related | 5,893 | 6,181 | 5,741 |
| Other operating expenses | 2,395 | 2,267 | 2,753 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.3 Resource Allocation (cont)

OPERATING STATEMENT (cont)

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Maintenance | 68 | 26 | 62 |
| Depreciation and amortisation | 372 | 348 | 335 |
| Total Expenses | 8,728 | 8,822 | 8,891 |
| Less: | | | |
| Retained Revenue - | | | |
| Other revenue | 15 | 126 | 34 |
| Total Retained Revenue | 15 | 126 | 34 |
| NET COST OF SERVICES | 8,713 | 8,696 | 8,857 |
| <hr/> | | | |
| ASSET ACQUISITIONS | 125 | 200 | 129 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.1 Central Financial Management Services

70.1.4 Structural Reform

Program Objective(s): To improve the allocation of State resources, while enhancing public sector net worth, by advising on microeconomic and industry reform which promotes economic efficiency and by providing shareholder advice which optimises the State's investment in the energy sector.

Program Description: Advising on, and implementing, major structural reform projects including the energy sector. Evaluating the financial and economic feasibility of major capital projects, including private sector infrastructure projects. Advising on microeconomic and industry policy issues, including national competition policy implementation. Advising on the performance of the energy sector, including the negotiation of statements of financial performance and the forecasting and monitoring of distribution payments.

| (EFT) | Average Staffing | |
|--|------------------|-------|
| 2000 <u>Activities</u> : | 1998-99 | 1999- |
| Economic strategy | 10 | 10 |
| Major projects | 8 | 8 |
| Energy ownership | 6 | 6 |
| Executive, corporate and directorate support | 5 | 6 |
| | 29 | 30 |

| 1998-99 | | 1999-2000 |
|-----------------|------------------|-----------------|
| Budget \$000 | Revised \$000 | Budget \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Operating expenses - | | | |
| Employee related | 1,957 | 2,726 | 3,138 |
| Other operating expenses | 700 | 5,913 | 4,501 |
| Maintenance | 18 | 17 | 25 |
| Depreciation and amortisation | 65 | 96 | 117 |
| Total Expenses | 2,740 | 8,752 | 7,781 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
70 TREASURY

70.1 Central Financial Management Services

70.1.4 Structural Reform (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Other revenue | 5 | 630 | 16 |
| Total Retained Revenue | 5 | 630 | 16 |
| NET COST OF SERVICES | 2,735 | 8,122 | 7,765 |

| | | | |
|---------------------------|-----------|-----------|-----------|
| ASSET ACQUISITIONS | 38 | 91 | 61 |
|---------------------------|-----------|-----------|-----------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.1 Stamp Duties Collection

Program Objective(s): To collect revenue to finance services for the people of New South Wales by imposing duties on liable instruments, documents and transactions.

Program Description: Assessment, collection and recovery of duties by sale of adhesive stamps, stamping of liable instruments or documents and from returns submitted by authorised persons.

| <u>Outcomes:</u> | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---------------------------|-------|---------|---------|---------|------------------|
| Revenue collected | \$m | 2,678 | 3,148 | 3,374 | 3,167 |
| <u>Outputs:</u> | | | | | |
| Returns lodged | thous | 31 | 39 | 50 | 65 |
| Documents processed | thous | 850 | 1,473 | 1,064 | 1,150 |
| Objections lodged | no. | 45 | 60 | 95 | 95 |
| Rulings issued | no. | 12 | 13 | 16 | 22 |
| Audits conducted | no. | 750 | 940 | 1,000 | 2,000 |
| Client education sessions | no. | 45 | 49 | 21 | 50 |
| <u>Average Staffing:</u> | EFT | 285 | 279 | 249 | 221 |

| 1998-99 | | 1999-2000 |
|---------|---------|------------------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|---------------|---------------|---------------|
| Operating expenses - | | | |
| Employee related | 13,921 | 14,135 | 13,170 |
| Other operating expenses | 5,220 | 5,493 | 5,676 |
| Maintenance | 320 | 328 | 324 |
| Depreciation and amortisation | 2,472 | 2,544 | 1,648 |
| Total Expenses | 21,933 | 22,500 | 20,818 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
70 TREASURY

70.2 Revenue Collection

70.2.1 Stamp Duties Collection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|---------------|---------------|---------------|
| Sales of goods and services | 12 | 6 | ... |
| Minor sales of goods and services | 108 | 138 | 100 |
| Other revenue | | | |
| Total Retained Revenue | 120 | 144 | 100 |
| Gain/(loss) on disposal of non current assets | ... | (309) | ... |
| NET COST OF SERVICES | 21,813 | 22,665 | 20,718 |

| | | | |
|---------------------------|--------------|--------------|--------------|
| ASSET ACQUISITIONS | 9,377 | 8,894 | 1,487 |
|---------------------------|--------------|--------------|--------------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.2 Pay-roll Tax Collection

Program Objective(s): To collect revenue to finance services for the people of New South Wales by imposing pay-roll tax on employers in respect of certain wages.

Program Description: Collection and recovery of pay-roll tax from employers who are periodically required to furnish a return of taxable wages.

| <u>Outcomes:</u> | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---------------------------|-------|---------|---------|---------|------------------|
| Revenue collected | \$m | 3,645 | 3,876 | 4,152 | 4,150 |
| <u>Outputs:</u> | | | | | |
| Returns lodged | thous | 240 | 246 | 258 | 258 |
| Assessments issued | thous | 17 | 19 | 20 | 20 |
| Objections lodged | no. | 45 | 130 | 165 | 165 |
| Rulings issued | no. | 2 | 3 | 2 | 3 |
| Audits conducted | no. | 1,400 | 4,505 | 2,500 | 3,000 |
| Client education sessions | no. | 30 | 35 | 21 | 40 |
| <u>Average Staffing:</u> | EFT | 109 | 112 | 113 | 100 |

| 1998-99 | | 1999-2000 |
|---------|---------|------------------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|---------------|---------------|--------------|
| Operating expenses - | | | |
| Employee related | 7,152 | 7,063 | 6,393 |
| Other operating expenses | 2,180 | 2,141 | 2,279 |
| Maintenance | 128 | 135 | 162 |
| Depreciation and amortisation | 1,113 | 1,119 | 709 |
| Total Expenses | 10,573 | 10,458 | 9,543 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
70 TREASURY

70.2 Revenue Collection

70.2.2 Pay-roll Tax Collection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|---------------|---------------|--------------|
| Sales of goods and services | | | |
| Minor sales of goods and services | 13 | 2 | ... |
| Other revenue | 56 | 62 | 40 |
| Total Retained Revenue | 69 | 64 | 40 |
| Gain/(loss) on disposal of non current assets | ... | (139) | ... |
| NET COST OF SERVICES | 10,504 | 10,533 | 9,503 |

| | | | |
|---------------------------|--------------|--------------|--------------|
| ASSET ACQUISITIONS | 6,541 | 6,201 | 1,815 |
|---------------------------|--------------|--------------|--------------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.3 Land Tax Collection

Program Objective(s): To collect revenue to finance services for the people of New South Wales by imposing a tax on liable properties.

Program Description: Assessment, collection and recovery of land tax from liable property owners.

| <u>Outcomes:</u> | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---|---------|---------|---------|---------|------------------|
| Revenue collected | \$m | 616 | 862 | 962 | 861 |
| <u>Outputs:</u> | | | | | |
| Assessments issued | thous | 132 | 162 | 165 | 172 |
| Objections lodged | no. | 2,000 | 4,120 | 3,500 | 3,500 |
| Amendments lodged | thous | 20 | 43 | 34 | 35 |
| S.47 land tax clearance certificates issued | thous | 191 | 215 | 200 | 200 |
| Rulings issued | no. | 2 | 2 | 4 | 5 |
| Audits conducted | no. | 3,000 | 22,666 | 12,500 | 16,000 |
| Client education sessions | no. | 30 | 20 | 64 | 40 |
| <u>Average Staffing:</u> | EFT | 187 | 176 | 180 | 182 |

| —————1998-99————— | | 1999-2000 |
|-------------------|---------|------------------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|-------------------|-------------------|-------------------|
| Operating expenses - | | | |
| Employee related | 9,870 | 9,900 | 10,742 |
| Other operating expenses | 3,972 | 4,057 | 4,728 |
| Maintenance | 222 | 226 | 271 |
| Depreciation and amortisation | 1,785 | 1,811 | 1,334 |
| Grants and subsidies | | | |
| Valuer General's Office | 10,200 | 10,200 | 10,900 |
| Total Expenses | 26,049 | 26,194 | 27,975 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.3 Land Tax Collection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|---------------|---------------|---------------|
| Sales of goods and services | | | |
| Search fees | 2,742 | 3,110 | 3,000 |
| Minor sales of goods and services | 12 | 4 | ... |
| Other revenue | 84 | 100 | 88 |
| Total Retained Revenue | 2,838 | 3,214 | 3,088 |
| Gain/(loss) on disposal of non current assets | ... | (223) | ... |
| NET COST OF SERVICES | 23,211 | 23,203 | 24,887 |

| | | | |
|---------------------------|--------------|--------------|--------------|
| ASSET ACQUISITIONS | 2,853 | 2,708 | 4,279 |
|---------------------------|--------------|--------------|--------------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.4 Miscellaneous Revenue Collection

Program Objective(s): To collect revenue to finance services for the people of New South Wales by imposing tax, duties and levies on liable transactions and documents.

Program Description: Assessment, collection and recovery of financial institutions duty, death duty, debits tax, parking space levy and accommodation levy. Collection and recovery of unclaimed money. Collection of health insurance and electricity energy levies. Administration of the Petroleum Subsidy Scheme.

| | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---------------------------------|-------|---------|---------|---------|---------------|
| <u>Outcomes:</u> | | | | | |
| Revenue collected | \$m | 886 | 1,055 | 1,106 | 1,151 |
| <u>Outputs:</u> | | | | | |
| Miscellaneous returns lodged | no. | n.a. | 11,237 | 13,779 | 13,979 |
| Diesel fuel permits issued | no. | 3,000 | 3,174 | 3,900 | 3,900 |
| Petroleum subsidy payments made | no. | n.a. | 826 | 2,086 | 2,086 |
| Objections lodged | no. | 4 | 8 | 15 | 15 |
| Rulings issued | no. | 2 | n.a. | 1 | 1 |
| Audits conducted | no. | 50 | 175 | 300 | 300 |
| Client education sessions | no. | 5 | 5 | 5 | 5 |
| Unclaimed monies claims paid | no. | n.a. | 1,843 | 2,076 | 2,040 |
| <u>Average Staffing:</u> | EFT | 28 | 24 | 34 | 35 |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|--------------|--------------|--------------|
| Operating expenses - | | | |
| Employee related | 2,404 | 2,345 | 2,000 |
| Other operating expenses | 626 | 644 | 737 |
| Maintenance | 36 | 40 | 48 |
| Depreciation and amortisation | 363 | 338 | 248 |
| Total Expenses | 3,429 | 3,367 | 3,033 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.4 Miscellaneous Revenue Collection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|--------------|--------------|--------------|
| Sales of goods and services | | | |
| Fees for services | 152 | 189 | 176 |
| Minor sales of goods and services | ... | 1 | ... |
| Other revenue | 12 | 20 | 12 |
| Total Retained Revenue | 164 | 210 | 188 |
| Gain/(loss) on disposal of non current assets | ... | (42) | ... |
| NET COST OF SERVICES | 3,265 | 3,199 | 2,845 |

| | | | |
|---------------------------|-----------|-----------|-----------|
| ASSET ACQUISITIONS | 14 | 13 | 34 |
|---------------------------|-----------|-----------|-----------|

TREASURER AND MINISTER FOR STATE DEVELOPMENT

70 TREASURY

70.2 Revenue Collection

70.2.5 Tax Equivalents Collection

Program Objective(s): To collect revenue to finance services for the people of New South Wales by imposing corporate income tax and sales tax on Government Trading Enterprises and State Owned Corporations.

Program Description: Assessment, collection and recovery of corporate income tax and sales tax from Government Trading Enterprises and State Owned Corporations.

| | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---------------------------|-------|---------|---------|---------|------------------|
| <u>Outcomes:</u> | | | | | |
| Revenue collected | \$m | 601 | 359 | 398 | 354 |
| <u>Outputs:</u> | | | | | |
| Income tax returns lodged | no. | 30 | 40 | 40 | 40 |
| Sales tax returns lodged | no. | 310 | 311 | 313 | 360 |
| Rulings issued | no. | 5 | 2 | 3 | 5 |
| Audits conducted | no. | 10 | 10 | 14 | 10 |
| Client education programs | no. | 10 | 10 | 14 | 10 |
| <u>Average Staffing:</u> | EFT | 11 | 11 | 4 | 2 |

| 1998-99 | | 1999-2000 |
|---------|---------|------------------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|-------------------------------|------------|------------|------------|
| Operating expenses - | | | |
| Employee related | 383 | 399 | 150 |
| Other operating expenses | 48 | 75 | 30 |
| Maintenance | ... | 4 | ... |
| Depreciation and amortisation | 35 | 41 | 11 |
| Total Expenses | 466 | 519 | 191 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
70 TREASURY

70.2 Revenue Collection

70.2.5 Tax Equivalents Collection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|------------|------------|------------|
| Other revenue | ... | 3 | ... |
| Total Retained Revenue | ... | 3 | ... |
| Gain/(loss) on disposal of non current assets | ... | (5) | ... |
| NET COST OF SERVICES | 466 | 521 | 191 |
| <hr/> | | | |
| ASSET ACQUISITIONS | 2 | 1 | 2 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT**71 CROWN TRANSACTIONS ENTITY**

| | 1998-99 | | 1999-2000 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses - | | | |
| Employee related | 946,379 | 1,194,752 | 1,055,737 |
| Other operating expenses | 122,824 | 135,556 | 138,329 |
| Maintenance | 2,533 | 2,500 | 3,074 |
| Depreciation and amortisation | 5,526 | 8,521 | 8,547 |
| Grants and subsidies | (17,220) | (26,404) | 43,513 |
| Finance costs | 1,188,128 | 1,304,047 | 1,231,447 |
| Other expenses | 454,163 | 260,407 | 330,604 |
| Total Expenses | 2,702,333 | 2,879,379 | 2,811,251 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 127,526 | 127,832 | 135,125 |
| Investment income | 112,924 | 136,824 | 95,344 |
| Other revenue | 32,667 | 82,363 | 31,027 |
| Total Retained Revenue | 273,117 | 347,019 | 261,496 |
| Gain/(loss) on disposal of non current assets | 10,323 | 12 | (1,050) |
| NET COST OF SERVICES | 2,418,893 | 2,532,348 | 2,550,805 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

71 CROWN TRANSACTIONS ENTITY

| | 1998-99 | | 1999-2000 |
|--|--------------------|--------------------|--------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee Related | 1,577,190 | 4,887,147 | 698,045 |
| Grants and subsidies | 101,314 | 128,139 | 101,256 |
| Finance costs | 1,186,557 | 1,310,553 | 1,217,860 |
| Other | 315,306 | 310,918 | 289,794 |
| Total Payments | 3,180,367 | 6,636,757 | 2,306,955 |
| Receipts | | | |
| Sale of goods and services | 127,053 | 124,739 | 137,618 |
| Retained taxes | (190,000) | (175,000) | (180,300) |
| Other | 38,527 | 62,819 | 120,770 |
| Total Receipts | (24,420) | 12,558 | 78,088 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (3,204,787) | (6,624,199) | (2,228,867) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 40,946 | 12,742 | 25,916 |
| Proceeds from sale of investments | ... | 10,000 | 960 |
| Advance repayments received | 70,069 | 139,492 | 108,936 |
| Purchases of investments | ... | (6,333) | (620) |
| Advances made | (46,800) | (65,260) | (29,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 64,215 | 90,641 | 106,192 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 431,714 | 3,428,849 | 19,522 |
| Repayment of borrowings and advances | (431,714) | (575,749) | (1,686,842) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | 2,853,100 | (1,667,320) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
71 CROWN TRANSACTIONS ENTITY

| | 1998-99 | | 1999-2000 Budget \$000 |
|--|--------------------|--------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 3,360,423 | 6,794,449 | 2,331,273 |
| Capital appropriation | 478,514 | 641,009 | 1,750,842 |
| Cash transfer to the Consolidated Fund Entity | | | |
| Advance repayments | (64,369) | (139,491) | (108,936) |
| Asset sales | (40,541) | (16,777) | (29,849) |
| Borrowings | (431,714) | (3,428,849) | (15,508) |
| Crown Property surplus | (15,500) | (14,746) | (19,522) |
| Interest receipts | (118,624) | (136,566) | (94,943) |
| Other receipts | (27,000) | (21,760) | (20,760) |
| NET CASH FLOWS FROM GOVERNMENT | 3,141,189 | 3,677,269 | 3,792,597 |
| NET INCREASE/(DECREASE) IN CASH | 617 | (3,189) | 2,602 |
| Opening Cash and Cash Equivalents | 9,436 | 15,843 | 12,654 |
| CLOSING CASH AND CASH EQUIVALENTS | 10,053 | 12,654 | 15,256 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (2,418,893) | (2,532,348) | (2,550,805) |
| Non cash items added back | 5,526 | 47,289 | 32,750 |
| Change in operating assets and liabilities | (791,420) | (4,139,140) | 289,188 |
| Net cash flow from operating activities | (3,204,787) | (6,624,199) | (2,228,867) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

71 CROWN TRANSACTIONS ENTITY

| | 1998-99 | | 1999-2000 Budget \$000 |
|---|---------------------|---------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 10,053 | 12,654 | 15,256 |
| Investments | 77,036 | 106,978 | 91,903 |
| Receivables | 64,549 | 48,917 | 38,792 |
| Other | 1,300 | 1,000 | 1,000 |
| Total Current Assets | 152,938 | 169,549 | 146,951 |
| Non Current Assets - | | | |
| Property, plant and equipment - Cost/valuation | 411,168 | 469,785 | 450,235 |
| Accumulated depreciation | (16,561) | (18,338) | (26,885) |
| Investments | 1,876,104 | 1,832,597 | 1,767,396 |
| Total Non Current Assets | 2,270,711 | 2,284,044 | 2,190,746 |
| Total Assets | 2,423,649 | 2,453,593 | 2,337,697 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 511,524 | 241,315 | 230,543 |
| Borrowings | 3,042,230 | 4,958,573 | 2,739,556 |
| Employee entitlements | 1,183,241 | 181,594 | 186,153 |
| Other | 123,299 | 178,591 | 189,810 |
| Total Current Liabilities | 4,860,294 | 5,560,073 | 3,346,062 |
| Non Current Liabilities - | | | |
| Borrowings | 11,181,399 | 12,463,609 | 13,039,509 |
| Employee entitlements | 11,641,408 | 9,421,232 | 9,774,577 |
| Other | 682,482 | 951,184 | 878,262 |
| Total Non Current Liabilities | 23,505,289 | 22,836,025 | 23,692,348 |
| Total Liabilities | 28,365,583 | 28,396,098 | 27,038,410 |
| NET ASSETS | (25,941,934) | (25,942,505) | (24,700,713) |
| EQUITY | | | |
| Reserves | 71,514 | 107,361 | 107,361 |
| Accumulated funds | (26,013,448) | (26,049,866) | (24,808,074) |
| TOTAL EQUITY | (25,941,934) | (25,942,505) | (24,700,713) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
71 CROWN TRANSACTIONS ENTITY

71.1 Service Wide Payments and Services

71.1.1 Debt Servicing Costs

Program Objective(s): To meet Crown debt servicing and related costs on loans and advances made to the State by the Commonwealth and on State Treasury Corporation loans and certain authorities whose debt liabilities have been assumed by the State.

Program Description: Debt administration management of the Crown portfolio in conjunction with the Treasury Corporation. Recoupment from various bodies of their portion of the debt servicing costs.

| (EFT) | Average Staffing | |
|------------------------------------|------------------|-------|
| | 1998-99 | 1999- |
| 2000 <u>Activities:</u> | | |
| Debt accounting and administration | n.a. | 2 |
| Debt management and forecasting | n.a. | 2 |
| | 0 | 4 |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

| | | | |
|--|------------------|------------------|------------------|
| Expenses - | | | |
| Operating expenses - | | | |
| Employee related | ... | ... | 241 |
| Finance costs - | | | |
| Interest | 1,188,128 | 1,284,181 | 1,085,308 |
| Interest on TCorp loans for the superannuation conversion | ... | 38,791 | 146,139 |
| Total Expenses | 1,188,128 | 1,304,047 | 1,231,688 |
| Less: | | | |
| Retained Revenue - | | | |
| Investment income | 112,924 | 136,824 | 95,344 |
| Other revenue | ... | 797 | ... |
| Total Retained Revenue | 112,924 | 137,621 | 95,344 |
| Gain/(loss) on disposal of non current assets | ... | (10,000) | (960) |
| NET COST OF SERVICES | 1,075,204 | 1,176,426 | 1,137,304 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
71 CROWN TRANSACTIONS ENTITY

71.1 Service Wide Payments and Services

71.1.2 Refunds and Remissions of Crown Revenue

Program Objective(s): To provide relief from certain Crown revenues and to meet the costs of refunds of certain unclaimed monies.

Program Description: The remission and refund, under certain circumstances, of State taxation and other Crown revenues. The refund of unclaimed monies paid into Consolidated Fund in terms of section 14 of the Public Finance and Audit Act.

| (EFT) | Average Staffing | |
|----------------------------|------------------|-------|
| | 1998-99 | 1999- |
| 2000 <u>Activities:</u> | | |
| Accounting and forecasting | n.a. | 1 |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|--|----------------|----------------|----------------|
| Operating expenses - | | | |
| Employee related | ... | ... | 49 |
| Other expenses | | | |
| Petrol subsidy payments - Section 90 Case | 164,000 | 150,000 | 154,000 |
| Alcohol subsidy payments - Section 90 Case | 26,000 | 25,000 | 26,300 |
| Refunds and remissions of Crown revenue | 10,000 | 36,000 | 15,000 |
| Total Expenses | 200,000 | 211,000 | 195,349 |
| NET COST OF SERVICES | 200,000 | 211,000 | 195,349 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

71 CROWN TRANSACTIONS ENTITY

71.1 Service Wide Payments and Services

71.1.3 Other Service Wide Activities

Program Objective(s): To provide funding for assumed Crown superannuation costs and past service accrued liabilities and to provide asset/liability management for cash, insurance and other liabilities.

Program Description: Periodical payments made towards costs of accrued employee superannuation liabilities and Crown employer superannuation guarantee charge contributions. Payment of compensation for risks not covered under insurance arrangements, working capital advances, interest subsidies and State Bank loan indemnity claims.

| (EFT) | Average Staffing | |
|--|------------------|-------|
| | 1998-99 | 1999- |
| 2000 | | |
| <u>Activities:</u> | | |
| Superannuation accounting and administration | n.a. | 3 |
| Superannuation management and forecasting | n.a. | 3 |
| Treasury Banking System - cash administration and forecasting | n.a. | 2 |
| Banking policy and administration | n.a. | 2 |
| Crown Consolidated Fund accounting and administration | n.a. | 4 |
| Public Authorities (Financial Arrangements) Act administration | n.a. | 1 |
| Insurance administration and management | n.a. | 2 |
| | <hr/> | <hr/> |
| | n.a | 17 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

71 CROWN TRANSACTIONS ENTITY

71.1 Service Wide Payments and Services

71.1.3 Other Service Wide Activities (cont)

| | 1998-99 | | 1999-2000 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses - | | | |
| Employee related | | | |
| Superannuation | 542,500 | 880,042 | 669,980 |
| Long service leave | 328,879 | 275,498 | 286,518 |
| Other employee related | 75,000 | 39,212 | 98,625 |
| Other operating expenses | 8,083 | 12,445 | 9,704 |
| Grants and subsidies | | | |
| Write back of workers compensation payable to rail entities | (20,938) | (21,560) | (18,962) |
| Actuarial adjustments - Insurance Ministerial Corporation | (97,596) | (132,983) | (38,781) |
| Contribution to Transport Accident Compensation Fund | 53,314 | 53,000 | 34,000 |
| Contributions for Y2K problems | ... | ... | 10,000 |
| Contribution to Treasury Managed Fund | ... | ... | 25,000 |
| Energy Smart Building Program | 20,000 | ... | ... |
| Other | 15,085 | 15,139 | 20,256 |
| Other expenses | | | |
| Payments to the Audit Office | ... | ... | 1,100 |
| Asset / liability management costs | 705 | 1,353 | 2,200 |
| Refunds of unclaimed moneys | 1,500 | 1,000 | 1,500 |
| State's share of higher education superannuation costs | 20,800 | 18,173 | 19,000 |
| Write backs of State's share of higher education superannuation costs | ... | (170,462) | ... |
| Sydney Water Corporation - rates on exempt properties | 12,651 | 11,253 | 11,761 |
| TAB registry costs | 8,500 | 8,500 | 5,500 |
| Debt / investment management fees | 8,275 | 5,275 | 7,275 |
| State Bank post-sale costs | 95,850 | 66,500 | 83,500 |
| Special Revenue Assistance to the Commonwealth | 101,300 | 101,500 | ... |
| Other | 686 | 2,164 | 1,949 |
| Total Expenses | 1,174,594 | 1,166,049 | 1,230,125 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
71 CROWN TRANSACTIONS ENTITY

71.1 Service Wide Payments and Services

71.1.3 Other Service Wide Activities (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

| | | | |
|---|------------------|------------------|------------------|
| Other revenue | 27,000 | 21,859 | 20,760 |
| Total Retained Revenue | 27,000 | 21,859 | 20,760 |
| Gain/(loss) on disposal of non current assets | ... | 10,000 | 960 |
| NET COST OF SERVICES | 1,147,594 | 1,134,190 | 1,208,405 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
71 CROWN TRANSACTIONS ENTITY

71.2 Natural Disasters Relief

71.2.1 Natural Disasters Relief

Program Objective(s): To alleviate hardship suffered by individuals as a result of bushfires, floods, drought and other natural disasters. To restore community assets damaged by natural disasters.

Program Description: Provision of funds to various departments and authorities involved in the administration of joint Commonwealth/State schemes.

| | 1998-99 | | 1999-2000 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Grants and subsidies | | | |
| Natural Disasters Relief | 4,915 | 40,000 | 4,000 |
| Natural Disaster Relief capital grants to Local Government | 8,000 | 20,000 | 8,000 |
| Total Expenses | 12,915 | 60,000 | 12,000 |
| NET COST OF SERVICES | 12,915 | 60,000 | 12,000 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT

71 CROWN TRANSACTIONS ENTITY

71.3 Crown Property Management

71.3.1 Crown Property Management

Program Objective(s): To manage a portfolio of real estate assets of the State where ownership or control has not been passed to individual agencies.

Program Description: Administration and maintenance of the State's portfolio of rental and other real estate assets. Fitout/refurbishment of State owned buildings under the Government's CBD Asset Strategy.

| <u>Activities</u> : | Average Staffing (EFT) | |
|-------------------------------------|------------------------|-----------|
| | 1998-99 | 1999-2000 |
| Accounting and administration | n.a. | 3 |
| Property management and forecasting | n.a. | 2 |
| | n.a. | 5 |

| | 1998-99 | | 1999-2000 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|---|-----------------|----------------|----------------|
| Operating expenses - | | | |
| Employee related | ... | ... | 324 |
| Other operating expenses | 114,741 | 123,111 | 128,625 |
| Maintenance | 2,533 | 2,500 | 3,074 |
| Depreciation and amortisation | 5,526 | 8,521 | 8,547 |
| Other expenses | | | |
| Asset / liability management costs | 3,491 | 4,147 | 853 |
| Asset sales commissions - Crown Transactions | | | |
| Entity property portfolio | 405 | 4 | 666 |
| Total Expenses | 126,696 | 138,283 | 142,089 |
| Less: | | | |
| Retained Revenue - | | | |
| Rents and leases | 127,526 | 125,052 | 133,280 |
| Other revenue | 5,667 | 9,707 | 10,267 |
| Total Retained Revenue | 133,193 | 137,539 | 145,392 |
| Gain/(loss) on disposal of non current assets | 10,323 | 12 | (1,050) |
| NET COST OF SERVICES | (16,820) | 732 | (2,253) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 1998-99 | | 1999-2000 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses - | | | |
| Employee related | 17,762 | 18,146 | 19,385 |
| Other operating expenses | 14,460 | 16,385 | 13,368 |
| Maintenance | 86 | 166 | 86 |
| Depreciation and amortisation | 1,600 | 1,600 | 1,500 |
| Grants and subsidies | 19,039 | 22,050 | 18,731 |
| Other expenses | 39,652 | 32,153 | 33,719 |
| Total Expenses | 92,599 | 90,500 | 86,789 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 300 | 300 | 250 |
| Investment income | 450 | 700 | 700 |
| Grants and contributions | ... | 11,788 | ... |
| Other revenue | 240 | 230 | 200 |
| Total Retained Revenue | 990 | 13,018 | 1,150 |
| Gain/(loss) on disposal of non current assets | 40 | (33) | ... |
| NET COST OF SERVICES | 91,569 | 77,515 | 85,639 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 1998-99 | | 1999-2000 Budget \$000 |
|--|-----------------|------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee Related | 16,268 | 17,013 | 17,887 |
| Grants and subsidies | 19,039 | 22,050 | 18,731 |
| Other | 54,203 | 48,704 | 47,699 |
| Total Payments | 89,510 | 87,767 | 84,317 |
| Receipts | | | |
| Sale of goods and services | 300 | 300 | 250 |
| Other | 690 | 12,718 | 900 |
| Total Receipts | 990 | 13,018 | 1,150 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (88,520) | (74,749) | (83,167) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 100 | 224 | ... |
| Purchases of property, plant and equipment | (347) | (347) | (110) |
| Advances made | ... | (12,000) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (247) | (12,123) | (110) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | 12,000 | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | 12,000 | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 77,767 | 86,916 | 80,935 |
| Capital appropriation | 247 | 247 | 110 |
| Cash reimbursements from the Consolidated Fund Entity | 233 | 490 | 233 |
| NET CASH FLOWS FROM GOVERNMENT | 78,247 | 87,653 | 81,278 |
| NET INCREASE/(DECREASE) IN CASH | (10,520) | 12,781 | (1,999) |
| Opening Cash and Cash Equivalents | 17,378 | 18,119 | 30,900 |
| CLOSING CASH AND CASH EQUIVALENTS | 6,858 | 30,900 | 28,901 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 1998-99 | | 1999-2000 |
|--|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (91,569) | (77,515) | (85,639) |
| Non cash items added back | 3,089 | 2,733 | 2,988 |
| Change in operating assets and liabilities | (40) | 33 | (516) |
| | (88,520) | (74,749) | (83,167) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 1998-99 | | 1999-2000 Budget \$000 |
|---|-----------------|------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 6,858 | 30,900 | 28,901 |
| Receivables | 1,161 | 729 | 729 |
| Other | 553 | 486 | 486 |
| Total Current Assets | 8,572 | 32,115 | 30,116 |
| Non Current Assets - | | | |
| Property, plant and equipment - Cost/valuation | 18,898 | 18,363 | 18,473 |
| Accumulated depreciation | (8,146) | (7,742) | (9,242) |
| Investments | ... | 12,000 | 12,000 |
| Receivables | 622 | 500 | 500 |
| Total Non Current Assets | 11,374 | 23,121 | 21,731 |
| Total Assets | 19,946 | 55,236 | 51,847 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 3,678 | 7,094 | 6,578 |
| Borrowings | 160 | 5 | 12,005 |
| Employee entitlements | 1,267 | 1,393 | 1,393 |
| Other | 466 | 466 | 466 |
| Total Current Liabilities | 5,571 | 8,958 | 20,442 |
| Non Current Liabilities - | | | |
| Borrowings | 122 | 12,000 | ... |
| Other | 902 | 436 | 436 |
| Total Non Current Liabilities | 1,024 | 12,436 | 436 |
| Total Liabilities | 6,595 | 21,394 | 20,878 |
| NET ASSETS | 13,351 | 33,842 | 30,969 |
| EQUITY | | | |
| Reserves | 1,384 | 903 | 903 |
| Accumulated funds | 11,967 | 32,939 | 30,066 |
| TOTAL EQUITY | 13,351 | 33,842 | 30,969 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

72.1 Development of the New South Wales Economy

72.1.1 Development of the New South Wales Economy

Program Objective(s): To work in partnership with industry to ensure that New South Wales is widely recognised as a leading centre of high value-adding, knowledge-intensive business in the Asia-Pacific region. To work with business to develop New South Wales as a prosperous and internationally competitive economy, through attracting and retaining investment, boosting exports, fostering industry skills and innovation, and creating sustainable jobs to enhance the quality of life for people throughout the State.

Program Description: Provision of an interface for business dealings with Government. Provision of policy advice and economic analysis to enhance economic growth. Facilitate intra-Government agency co-ordination and provide financial assistance to attract investment projects to metropolitan and regional areas. Fostering programs to assist diversification and structural adjustment in regional economies. Marketing New South Wales as a place to invest. Provision of information to firms about Government processes, business operations and business climate. Provision of business counselling and consultancy assistance to small and medium enterprises and facilitate export growth. Fostering programs that enhance technology commercialisation and diffusion. Facilitation of increased business activity for women and Aboriginal people. Capturing business opportunities associated with the Olympics.

| <u>Outcomes:</u> | Units | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|--|-------|---------|---------|---------|------------------|
| Metropolitan projects facilitated or financially assisted - | | | | | |
| Investment committed | \$m | 1,099 | 594 | 1,489 | 545 |
| Jobs attracted | no. | 2,884 | 1,632 | 3,132 | 4,160 |
| Regional projects facilitated or financially assisted - | | | | | |
| Investment committed | \$m | 1,486 | 1,283 | 813 | 1,819 |
| Jobs attracted | no. | 3,873 | 5,339 | 3,773 | 3,459 |
| Small and medium business clients - | | | | | |
| Growth in turnover in firms assisted, above the State average | % | 13.5 | 15.5 | 14.2 | 14.0 |
| Jobs growth in firms assisted, above the State average | % | 12.1 | 19.5 | 18.7 | 15.0 |
| Micro and Start Up Business Clients - | | | | | |
| Jobs created/ retained through activities of Business Enterprise Centres | no. | 5,809 | 7,184 | 9,000 | 10,000 |
| Industrial Supplies Office import replacement | \$m | 116 | 85 | 90 | 100 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

72.1 Development of the New South Wales Economy

72.1.1 Development of the New South Wales Economy (cont)

Outputs:

| | | | | | |
|---|-----|--------|--------|--------|---------------|
| Metropolitan projects facilitated or financially assisted - | | | | | |
| Investment projects assisted | no. | 27 | 16 | 17 | 20 |
| Funding to assist investment projects | \$m | 15 | 11 | 14 | 8 |
| Regional projects facilitated or financially assisted - | | | | | |
| Investment projects assisted | no. | 102 | 127 | 108 | 138 |
| Funding to assist investment projects | \$m | 9 | 9 | 16 | 18 |
| Visits to New South Wales Trade and Investment Centre and the Country Embassy | no. | 16,146 | 21,126 | 28,200 | 32,000 |
| Internet access to New South Wales Business Report | no. | 5,650 | 16,970 | 26,000 | 32,700 |
| Small and medium business clients - | | | | | |
| Clients (active) | no. | 1,625 | 1,503 | 918 | 750 |
| Completed services | no. | 1,117 | 859 | 579 | 500 |
| Value of assistance paid | \$m | 5.5 | 5.0 | 2.5 | 1.5 |
| Micro and Start Up Business Clients - | | | | | |
| Enquiries | no. | 48,750 | 50,000 | 73,670 | 70,000 |
| Clients (active) | no. | 50,341 | 55,000 | 46,148 | 50,000 |
| Businesses assisted | no. | 13,074 | 14,000 | 26,466 | 25,000 |
| <u>Average Staffing:</u> | EFT | 227 | 239 | 232 | 239 |

| 1998-99 | | 1999-2000 |
|---------|---------|-----------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

OPERATING STATEMENT

Expenses -

| | | | |
|--------------------------|--------|--------|---------------|
| Operating expenses - | | | |
| Employee related | 17,762 | 18,146 | 19,385 |
| Other operating expenses | 14,460 | 16,385 | 13,368 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
72 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

72.1 Development of the New South Wales Economy

72.1.1 Development of the New South Wales Economy (cont)

OPERATING STATEMENT (cont)

| | | | |
|--|---------------|---------------|---------------|
| Maintenance | 86 | 166 | 86 |
| Depreciation and amortisation | 1,600 | 1,600 | 1,500 |
| Grants and subsidies | | | |
| Grants to non profit organisations | 3,610 | 3,680 | 3,380 |
| Regional headquarters tax concessions | 2,179 | 1,386 | 2,179 |
| Local Government - current grants | 840 | 562 | 840 |
| Rehabilitation Works at Moore Park Showground - capital grant | 11,857 | 14,872 | 2,967 |
| Katoomba/Echo Point Development capital grant | ... | ... | 3,615 |
| Hunter Advantage Fund | 553 | 1,550 | 2,750 |
| Wollongong Advantage Fund | ... | ... | 3,000 |
| Other expenses | | | |
| Payroll tax rebates and other assistance associated with the decentralisation of secondary industry in country areas | 150 | 171 | 150 |
| Small Businesses' Loans Guarantee Act - liquidation of liabilities | 127 | ... | 127 |
| Assistance to industry | 13,140 | 12,812 | 11,237 |
| Small Business Development | 5,901 | 5,360 | 6,021 |
| Regional development assistance | 13,733 | 10,500 | 13,884 |
| AusIndustry Commonwealth program | 5,301 | 2,650 | ... |
| NSW High Growth Business | 1,300 | 660 | 2,300 |
| Total Expenses | 92,599 | 90,500 | 86,789 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 300 | 300 | 250 |
| Investment income | 450 | 700 | 700 |
| Grants and contributions | ... | 11,788 | ... |
| Other revenue | 240 | 230 | 200 |
| Total Retained Revenue | 990 | 13,018 | 1,150 |
| Gain/(loss) on disposal of non current assets | 40 | (33) | ... |
| NET COST OF SERVICES | 91,569 | 77,515 | 85,639 |
| | | | |
| ASSET ACQUISITIONS | 347 | 347 | 110 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
73 CROWN LEASEHOLDS ENTITY

| | 1998-99 | | 1999-2000 |
|---|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses | 2,200 | ... | ... |
| Total Expenses | 2,200 | ... | ... |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 37,600 | 31,500 | 32,200 |
| Investment income | 5,050 | 5,050 | 5,100 |
| Total Retained Revenue | 42,650 | 36,550 | 37,300 |
| Gain/(loss) on disposal of non current assets | (3,900) | (1,500) | (5,100) |
| NET COST OF SERVICES | (36,550) | (35,050) | (32,200) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
73 CROWN LEASEHOLDS ENTITY

| | 1998-99 | | 1999-2000 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Payments | 2,200 | ... | ... |
| Total Payments | 2,200 | ... | ... |
| Receipts | | | |
| Sale of goods and services | 37,600 | 31,500 | 32,200 |
| Other | 8,025 | 8,961 | 5,000 |
| Total Receipts | 45,625 | 40,461 | 37,200 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 43,425 | 40,461 | 37,200 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 27,300 | (198) | 26,640 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 27,300 | (198) | 26,640 |
| CASH FLOWS FROM GOVERNMENT | | | |
| Cash transfers to Consolidated Fund | (70,725) | (40,262) | (63,840) |
| NET CASH FLOWS FROM GOVERNMENT | (70,725) | (40,262) | (63,840) |
| NET INCREASE/(DECREASE) IN CASH | ... | 1 | ... |
| Opening Cash and Cash Equivalents | 51 | ... | 1 |
| CLOSING CASH AND CASH EQUIVALENTS | 51 | 1 | 1 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | 36,550 | 35,050 | 32,200 |
| Change in operating assets and liabilities | 6,875 | 5,411 | 5,000 |
| Net cash flow from operating activities | 43,425 | 40,461 | 37,200 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
73 CROWN LEASEHOLDS ENTITY

| | 1998-99 | | 1999-2000 Budget \$000 |
|---|-----------------|------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 51 | 1 | 1 |
| Receivables | 16,500 | 15,500 | 16,000 |
| Total Current Assets | 16,551 | 15,501 | 16,001 |
| Non Current Assets - | | | |
| Property, plant and equipment - Cost/valuation | 258,800 | 334,569 | 334,569 |
| Receivables | 38,000 | 36,638 | 36,638 |
| Total Non Current Assets | 296,800 | 371,207 | 371,207 |
| Total Assets | 313,351 | 386,708 | 387,208 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 160 | ... | ... |
| Other | 8,000 | 8,000 | 7,900 |
| Total Current Liabilities | 8,160 | 8,000 | 7,900 |
| Total Liabilities | 8,160 | 8,000 | 7,900 |
| NET ASSETS | 305,191 | 378,708 | 379,308 |
| EQUITY | | | |
| Reserves | 290,000 | 334,569 | 334,569 |
| Accumulated funds | 15,191 | 44,139 | 44,739 |
| TOTAL EQUITY | 305,191 | 378,708 | 379,308 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
73 CROWN LEASEHOLDS ENTITY

73.1 Administration of Crown Leases

73.1.1 Administration of Crown Leases

Program Objective(s): Administration of Crown Leases under the Crown Lands Act 1989.

Program Description: Collection of annual instalments relating to the purchase of Crown Land and the generation of revenue from leases, licenses and permissible occupancies of Crown Land.

| | 1998-99 | | 1999-2000 |
|---|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses - | | | |
| Operating expenses | 2,200 | ... | ... |
| Total Expenses | 2,200 | ... | ... |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | | | |
| Crown Land leases | 37,600 | 31,500 | 32,200 |
| Investment income | 5,050 | 5,050 | 5,100 |
| Total Retained Revenue | 42,650 | 36,550 | 37,300 |
| Gain/(loss) on disposal of non current assets | (3,900) | (1,500) | (5,100) |
| NET COST OF SERVICES | (36,550) | (35,050) | (32,200) |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
CROWN TRANSACTIONS ENTITY COMMERCIAL ACTIVITIES

| | 1998-99 | | 1999-2000 |
|-------------------------------|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 7,689 | 7,777 | 7,874 |
| Investment income | 2,059 | 1,331 | 1,879 |
| Other revenue | 158 | 2,514 | 1,887 |
| Total Retained Revenue | 9,906 | 11,622 | 11,640 |
| Less: | | | |
| Expenses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 10,020 | 11,818 | 11,715 |
| Finance costs | ... | (75) | (78) |
| Total Expenses | 10,020 | 11,743 | 11,637 |
| SURPLUS/(DEFICIT) | (114) | (121) | 3 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
CROWN TRANSACTIONS ENTITY COMMERCIAL ACTIVITIES

| | 1998-99 | | 1999-2000 |
|---|---------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Other | 9,726 | 10,229 | 9,282 |
| Total Receipts | 9,726 | 10,229 | 9,282 |
| Payments | | | |
| Other | 8,872 | 11,855 | 10,832 |
| Total Payments | 8,872 | 11,855 | 10,832 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 854 | (1,626) | (1,550) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | 95 | 217 | 51 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 95 | 217 | 51 |
| NET INCREASE/(DECREASE) IN CASH | 949 | (1,409) | (1,499) |
| Opening Cash and Cash Equivalents | 35,510 | 32,449 | 31,039 |
| CLOSING CASH AND CASH EQUIVALENTS | 36,459 | 31,040 | 29,540 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | (114) | (121) | 3 |
| Non cash items added back | ... | (75) | (78) |
| Change in operating assets and liabilities | 968 | (1,430) | (1,475) |
| Net cash flow from operating activities | 854 | (1,626) | (1,550) |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
CROWN TRANSACTIONS ENTITY COMMERCIAL ACTIVITIES**

| | 1998-99 | | 1999-2000 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 36,459 | 31,039 | 29,540 |
| Investments | 95 | 102 | 110 |
| Receivables | 1,346 | 855 | 1,326 |
| Total Current Assets | 37,900 | 31,996 | 30,976 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Investments | 791 | 966 | 985 |
| Receivables | 32,648 | 39,229 | 41,116 |
| Total Non Current Assets | 33,439 | 40,195 | 42,101 |
| Total Assets | 71,339 | 72,191 | 73,077 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 227 | 75 | 78 |
| Other | 5,253 | 5,590 | 5,659 |
| Total Current Liabilities | 5,480 | 5,665 | 5,737 |
| Non Current Liabilities - | | | |
| Other | 64,588 | 64,888 | 65,699 |
| Total Non Current Liabilities | 64,588 | 64,888 | 65,699 |
| Total Liabilities | 70,068 | 70,553 | 71,436 |
| NET ASSETS | 1,271 | 1,638 | 1,641 |
| EQUITY | | | |
| Accumulated funds | 1,271 | 1,638 | 1,641 |
| TOTAL EQUITY | 1,271 | 1,638 | 1,641 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES FINANCIAL INSTITUTIONS COMMISSION

| | 1998-99 | | 1999-2000 |
|---|--------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 10 | 10 | ... |
| Investment income | 153 | 159 | 110 |
| Retained taxes, fees and fines | 2,475 | 2,270 | 2,201 |
| Grants and contributions | 1,025 | 1,226 | 660 |
| Other revenue | ... | 72 | 10 |
| Total Retained Revenue | 3,663 | 3,737 | 2,981 |
| Less: | | | |
| Expenses - | | | |
| Operating Expenses - | | | |
| Employee Related | 2,361 | 2,409 | 2,619 |
| Other operating expenses | 1,183 | 1,294 | 1,061 |
| Maintenance | 8 | 7 | ... |
| Depreciation and amortisation | 145 | 142 | 118 |
| Total Expenses | 3,697 | 3,852 | 3,798 |
| Gain/(loss) on disposal of non current assets | 40 | 95 | 40 |
| SURPLUS/(DEFICIT) | 6 | (20) | (777) |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES FINANCIAL INSTITUTIONS COMMISSION**

| | 1998-99 | | 1999-2000 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 10 | 10 | ... |
| Other | 3,653 | 3,727 | 2,995 |
| Total Receipts | 3,663 | 3,737 | 2,995 |
| Payments | | | |
| Employee Related | 2,361 | 2,344 | 3,075 |
| Other | 1,191 | 1,301 | 681 |
| Total Payments | 3,552 | 3,645 | 3,756 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 111 | 92 | (761) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 40 | 206 | 102 |
| Purchases of property, plant and equipment | (60) | (253) | ... |
| Purchases of investments | ... | (144) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (20) | (191) | 102 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | 10 | 46 |
| Repayment of borrowings and advances | ... | (10) | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | ... | 46 |
| NET INCREASE/(DECREASE) IN CASH | 91 | (99) | (613) |
| Opening Cash and Cash Equivalents | 344 | 712 | 613 |
| CLOSING CASH AND CASH EQUIVALENTS | 435 | 613 | ... |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 6 | (20) | (777) |
| Non cash items added back | 145 | 142 | 118 |
| Change in operating assets and liabilities | (40) | (30) | (102) |
| Net cash flow from operating activities | 111 | 92 | (761) |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES FINANCIAL INSTITUTIONS COMMISSION**

| | 1998-99 | | 1999-2000 Budget \$000 |
|--|-----------------|------------------|------------------------------|
| | Budget \$000 | Revised \$000 | |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 435 | 613 | ... |
| Investments | 1,889 | 1,802 | ... |
| Receivables | 93 | 76 | ... |
| Other | 5 | 9 | ... |
| Total Current Assets | 2,422 | 2,500 | ... |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Cost/valuation | 684 | 727 | ... |
| Accumulated depreciation | (460) | (330) | ... |
| Total Non Current Assets | 224 | 397 | ... |
| Total Assets | 2,646 | 2,897 | ... |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Accounts payable | 399 | 439 | ... |
| Borrowings | 7 | 11 | ... |
| Employee entitlements | 186 | 103 | ... |
| Total Current Liabilities | 592 | 553 | ... |
| Non Current Liabilities - | | | |
| Borrowings | 10 | ... | ... |
| Employee entitlements | 329 | 269 | ... |
| Total Non Current Liabilities | 339 | 269 | ... |
| Total Liabilities | 931 | 822 | ... |
| NET ASSETS | 1,715 | 2,075 | ... |
| EQUITY | | | |
| Reserves | 432 | 422 | ... |
| Accumulated funds | 1,283 | 1,653 | ... |
| TOTAL EQUITY | 1,715 | 2,075 | ... |

Note: FINCOM will be merged with the Australian Prudential Regulation Authority (APRA) during 1999-2000.

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES INSURANCE MINISTERIAL CORPORATION**

| | 1998-99 | | 1999-2000 |
|---|-----------------|-----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 481,239 | 439,518 | 558,719 |
| Investment income | 105,650 | 112,885 | 126,035 |
| Retained taxes, fees and fines | 68,686 | 100,000 | 24,156 |
| Grants and contributions | 61,314 | 61,000 | 77,000 |
| Other revenue | 4 | 12 | 4 |
| Total Retained Revenue | 716,893 | 713,415 | 785,914 |
| Less: | | | |
| Expenses - | | | |
| Operating Expenses | 742,785 | 778,077 | 783,017 |
| Total Expenses | 742,785 | 778,077 | 783,017 |
| Gain/(loss) on disposal of non current assets | ... | ... | (6,012) |
| SURPLUS/(DEFICIT) | (25,892) | (64,662) | (3,115) |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES INSURANCE MINISTERIAL CORPORATION**

| | 1998-99 | | 1999-2000 |
|---|-----------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 578,835 | 572,501 | 597,500 |
| Retained taxes | 68,686 | 101,415 | 24,156 |
| Other | 138,915 | 704,815 | 177,176 |
| Total Receipts | 786,436 | 1,378,731 | 798,832 |
| Payments | | | |
| Other | 723,791 | 1,298,283 | 783,017 |
| Total Payments | 723,791 | 1,298,283 | 783,017 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 62,645 | 80,448 | 15,815 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | ... | ... | 64,000 |
| Purchases of investments | (48,085) | (143,777) | (93,300) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (48,085) | (143,777) | (29,300) |
| NET INCREASE/(DECREASE) IN CASH | 14,560 | (63,329) | (13,485) |
| Opening Cash and Cash Equivalents | 119,240 | 100,231 | 36,902 |
| CLOSING CASH AND CASH EQUIVALENTS | 133,800 | 36,902 | 23,417 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | (25,892) | (64,662) | (3,115) |
| Non cash items added back | (105,650) | (109,350) | (122,500) |
| Change in operating assets and liabilities | 194,187 | 254,460 | 141,430 |
| Net cash flow from operating activities | 62,645 | 80,448 | 15,815 |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
NEW SOUTH WALES INSURANCE MINISTERIAL CORPORATION**

| | 1998-99 | | 1999-2000 |
|--|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash | 137,964 | 36,902 | 23,417 |
| Investments | 301,736 | 311,458 | 354,618 |
| Receivables | 89,463 | 143,565 | 157,657 |
| Other | 335 | 400 | 400 |
| Total Current Assets | 529,498 | 492,325 | 536,092 |
| Non Current Assets - | | | |
| Investments | 1,180,350 | 1,315,843 | 1,418,471 |
| Receivables | 537,652 | 366,115 | 313,242 |
| Total Non Current Assets | 1,718,002 | 1,681,958 | 1,731,713 |
| Total Assets | 2,247,500 | 2,174,283 | 2,267,805 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Borrowings | 4,164 | ... | ... |
| Other provisions | 489,621 | ... | ... |
| Other | 4,035 | 16,700 | 16,700 |
| Total Current Liabilities | 497,820 | 16,700 | 16,700 |
| Non Current Liabilities - | | | |
| Other | 2,109,785 | 2,554,014 | 2,650,651 |
| Total Non Current Liabilities | 2,109,785 | 2,554,014 | 2,650,651 |
| Total Liabilities | 2,607,605 | 2,570,714 | 2,667,351 |
| NET ASSETS | (360,105) | (396,431) | (399,546) |
| EQUITY | | | |
| Accumulated funds | (360,105) | (396,431) | (399,546) |
| TOTAL EQUITY | (360,105) | (396,431) | (399,546) |

**TREASURER AND MINISTER FOR STATE DEVELOPMENT
SUPERANNUATION ADMINISTRATION AUTHORITY**

| | ———1998-99——— | | 1999-2000 |
|---|---------------|---------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| <i>OPERATING STATEMENT</i> | | | |
| Total Retained Revenue | 45,578 | 51,780 | 48,060 |
| Total Expenses | 45,128 | 51,124 | 48,840 |
| Gain/(loss) on disposal of non current assets | (450) | (36) | 850 |
| SURPLUS/(DEFICIT) | ... | 620 | 70 |

TREASURER AND MINISTER FOR STATE DEVELOPMENT
SUPERANNUATION ADMINISTRATION AUTHORITY

| | 1998-99 | | 1999-2000 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS | | | |
| Current Assets | 8,879 | 12,012 | 14,147 |
| Non Current Assets | 22,929 | 17,675 | 18,544 |
| TOTAL ASSETS | 31,808 | 29,687 | 32,691 |
| LIABILITIES | | | |
| Current Liabilities | 3,018 | 6,353 | 9,535 |
| Non Current Liabilities | 28,790 | 22,714 | 22,466 |
| TOTAL LIABILITIES | 31,808 | 29,067 | 32,001 |
| NET ASSETS | ... | 620 | 690 |
| EQUITY | | | |
| Accumulated funds | ... | 620 | 690 |
| TOTAL EQUITY | ... | 620 | 690 |