

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	———2004-05———		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	114,721	102,521	110,342
Other operating expenses	49,763	54,171	47,315
Maintenance	955	842	763
Depreciation and amortisation	9,069	10,021	14,772
Grants and subsidies	278,876	272,349	277,356
Total Expenses	453,384	439,904	450,548
Less:			
Retained Revenue -			
Sales of goods and services	28,735	26,010	25,096
Investment income	1,110	2,045	1,257
Retained taxes, fees and fines	60	230	148
Grants and contributions	...	65	80
Other revenue	4,362	4,301	6,233
Total Retained Revenue	34,267	32,651	32,814
Gain/(loss) on disposal of non current assets	...	4	...
NET COST OF SERVICES	419,117	407,249	417,734

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	110,761	96,955	105,100
Grants and subsidies	278,876	272,349	277,356
Other	58,567	95,912	55,907
Total Payments	448,204	465,216	438,363
Receipts			
Sale of goods and services	28,740	33,471	25,096
Interest	1,110	1,275	1,257
Other	11,923	9,365	14,290
Total Receipts	41,773	44,111	40,643
NET CASH FLOWS FROM OPERATING ACTIVITIES	(406,431)	(421,105)	(397,720)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	5	...
Purchases of property, plant and equipment	(18,308)	(18,863)	(3,861)
Other	...	...	(7,864)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(18,308)	(18,858)	(11,725)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	399,679	392,123	396,446
Capital appropriation	18,308	18,550	11,725
Cash reimbursements from the Consolidated Fund Entity	3,902	3,820	...
Cash transfers to Consolidated Fund	...	(631)	...
NET CASH FLOWS FROM GOVERNMENT	421,889	413,862	408,171
NET INCREASE/(DECREASE) IN CASH	(2,850)	(26,101)	(1,274)
Opening Cash and Cash Equivalents	27,549	41,835	15,734
CLOSING CASH AND CASH EQUIVALENTS	24,699	15,734	14,460

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	———2004-05———		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
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CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(419,117)	(407,249)	(417,734)
Non cash items added back	14,430	15,214	20,014
Change in operating assets and liabilities	(1,744)	(29,070)	...
Net cash flow from operating activities	(406,431)	(421,105)	(397,720)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	24,699	15,734	14,460
Receivables	12,617	10,799	10,799
Other	556	544	544
Total Current Assets	37,872	27,077	25,803
Non Current Assets -			
Property, plant and equipment - Plant and equipment	45,726	53,522	13,701
Intangibles	...	...	36,774
Other	2	11	11
Total Non Current Assets	45,728	53,533	50,486
Total Assets	83,600	80,610	76,289
LIABILITIES -			
Current Liabilities -			
Payables	3,311	4,760	4,760
Provisions	6,406	7,746	7,746
Other	15,721	238	238
Total Current Liabilities	25,438	12,744	12,744
Non Current Liabilities -			
Provisions	1,934	2,052	2,052
Other	27	160	160
Total Non Current Liabilities	1,961	2,212	2,212
Total Liabilities	27,399	14,956	14,956
NET ASSETS	56,201	65,654	61,333
EQUITY			
Accumulated funds	56,201	65,654	61,333
TOTAL EQUITY	56,201	65,654	61,333

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services

- Planned Results:
- ◆ a more competitive and sustainable business environment;
 - ◆ better resource allocation and management; and
 - ◆ strengthened state finances.

Strategies and Services: Provide an efficient policy and regulatory environment and an efficient and sustainable revenue regime through **micro economic reform**:

- ◆ developing regulatory policies and responding to IPART, the Productivity Commission and industry reviews;
- ◆ facilitating the implementation of competition policy;
- ◆ advising on tax and revenue policy and strategy;
- ◆ conducting strategic reviews and developing, supporting and implementing reforms;
- ◆ developing and supporting the implementation of privately financed projects; and
- ◆ advising on industrial relations fiscal implications.

Implement a comprehensive **financial management framework**:

- ◆ refining and implementing the Financial Management Framework, financial legislation and direction, and accounting policies;
- ◆ monitoring and advising on the performance of general government agencies;
- ◆ negotiating Results and Services Plans and integrating them into the State budget process;
- ◆ managing and co-ordinating the State Budget process and preparing the State Sector Accounts; and
- ◆ implementing asset management and procurement policy.

Provide a sound **commercial policy framework**:

- ◆ monitoring and advising on the performance of NSW government businesses;
- ◆ negotiating Statements of Corporate Intent and Statements of Business Intent; and
- ◆ developing, supporting and implementing policy and reform of government businesses.

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

Develop and apply a sound **fiscal strategy**:

- ◆ developing and recommending an appropriate overall fiscal strategy;
- ◆ participating in Commonwealth Grants Commission and other intergovernmental finance activities;
- ◆ developing appropriate debt and liability objectives;
- ◆ forecasting and advising on economic variables; and
- ◆ monitoring and management of budget aggregates.

Undertake responsible **balance sheet management**:

- ◆ setting financial asset and liability objectives within the context of the State's Fiscal Strategy;
- ◆ advising on insurance and superannuation liability issues;
- ◆ implementing government banking arrangements;
- ◆ providing a self insurance arrangement for State government entities; and
- ◆ accounting for the Crown Finance Entity.

<u>Result Indicators:</u>	Units	2002-03	2003-04	2004-05	Long Term Target
10 year average growth in NSW GSP per capita greater than or equal to the national average:					
New South Wales	%	2.6	2.5	nya	NSW ≥ national average
National	%	2.7	2.6		
Efficiency in providing government services to be equal to or better than the national average for at least 50 percent of functional areas reported by the Productivity Commission					
	%	48.3	48.0	nya	≥ 50
Maintenance of NSW credit rating					
		AAA	AAA	AAA	AAA
Reduction in general government Sector Net Financial Liabilities as a Percentage of GSP					
	%	9.5	8.8	8.3	continuing reduction
Average real return per annum on superannuation and insurance investments					
	%	- 1.8	9.4	6.7	≥ 3.5

TREASURER AND MINISTER FOR STATE DEVELOPMENT

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64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Service Measures:</u>					
Percentage of State Owned Corporations with Statements of Corporate Intent in place	%	100	100	100	100
Percentage of general government agencies with finalised Results and Services Plans	%	91	91	87	100
Timely delivery of the NSW Budget		Yes	Yes	Yes	Yes
Deviation of Government businesses' actual distribution payments from budget estimate	%	4.3	7.9	-1.6	≤+10
Percentage of surveyed agencies satisfied with OFM's financial management support	%	74	n.a.	80	n.a.
Average of forecasting error for key economic variables less than the average error of other states					NSW ≤ Other States
New South Wales	%	0.47	0.57	nya	
Others	%	1.04	1.03		
Deviation of actual superannuation, debt and insurance GFS net lending expenses from the Budget projection	%	7	- 1	0	≤+10
<u>Resources:</u>	EFT	229	245	251	251

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	25,410	25,602	26,810
Other operating expenses	13,166	12,359	11,675
Maintenance	302	301	301
Depreciation and amortisation	888	872	854
Grants and subsidies			
Australian accounting research and standards bodies	...	173	173
Total Expenses	39,766	39,307	39,813

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	15	16	16
Investment income	190	219	219
Other revenue	4,262	4,098	6,017
Total Retained Revenue	4,467	4,333	6,252
Gain/(loss) on disposal of non current assets	...	5	...
NET COST OF SERVICES	35,299	34,969	33,561

CAPITAL EXPENDITURE	350	350	350
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TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.2 Revenue Collection

64.2.1 All due revenue is collected and compliance is maximised

Outcome Objective(s): Ensure effective and equitable collection of revenue from taxes, duties and other sources due to the State of New South Wales.

Strategies:

Enhancing our revenue performance by:

- ◆ optimising revenue and debt compliance by implementation of an overall compliance strategy;
- ◆ improving legislation to enhance compliance; and
- ◆ educating the NSW community about revenue rights and obligations by conducting client education programs.

Driving service and efficiency through technology by:

- ◆ identifying and enhancing the most effective service delivery channels by reviewing our current service delivery channels; and
- ◆ integrated telephony capability.

Ensuring OSR's continual renewal by continuing to implement business process improvements and progress work on a system to manage quality control.

Building an organisation of value-able people by building skills in key areas.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Result Indicators</u> :					
Duties collected	\$m	5,158	5,492	5,001	5,324
Pay-roll tax collected	\$m	4,726	5,067	5,550	5,814
Land tax collected	\$m	1,154	1,339	1,398	1,626
Federal tax equivalent collected	\$m	372	345	316	405
Other revenue collected	\$m	245	219	251	223
Racing	\$m	144	150	156	162
Gaming	\$m	762	792	867	1,000
Other gambling and betting	\$m	8	7	8	8

Service Measures:

Percentage of revenue received by electronic payment	%	64	68	>65	>75
Cost to collect \$100 tax revenue	\$	0.57	0.56	0.61	0.65
Client Service Index	%	90	>85	>85	>85
Revenue collected to Budget	%	109	108	>98	>98

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.2 Revenue Collection

64.2.1 All due revenue is collected and compliance is maximised (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Resources:</u>					
Duties	EFT	195	182	221*	168
Pay-roll tax	EFT	120	122	154	192**
Land tax	EFT	211	188	349*	360
Gaming and Racing	EFT	11	4	4	2
Other revenue	EFT	15	22	22	21

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	54,612	49,932	53,445
Other operating expenses	15,838	18,639	18,401
Maintenance	444	429	372
Depreciation and amortisation	7,407	5,688	10,731
Grants and subsidies			
Valuer General's Office	12,176	12,176	15,183
Total Expenses	90,477	86,864	98,132

Less:

Retained Revenue -

Sales of goods and services			
Fees for services	540	807	547
Search fees	3,512	2,710	2,079
Minor sales of goods and services	...	16	...
Investment income	424	738	767
Grants and contributions	...	13	...
Other revenue	100	194	208
Total Retained Revenue	4,576	4,478	3,601

Gain/(loss) on disposal of non current assets	...	(1)	...
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NET COST OF SERVICES	85,901	82,387	94,531
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CAPITAL EXPENDITURE	11,834	11,593	8,291
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* Includes temporary staff involved with implementing new tax reform arrangements.

** Includes an increase in staff attributable to an escalation in pay-roll tax activities to ensure compliance.

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.3 Fine Enforcement

64.3.1 Effective Infringement Processing and Fine Enforcement

Outcome Objective(s): Ensure effective and timely infringement processing and fine enforcement services which contribute to a higher level of compliance with the law.

Strategies:

Forging powerful stakeholder relationships by:

- ◆ fostering cooperative policy development with stakeholders at all levels;
- ◆ building effective alliances with commercial clients; and
- ◆ continually increasing client satisfaction.

Driving service and efficiency through technology by:

- ◆ implementing business process improvement within Infringement Processing and Fine Enforcement Branches of SDRO; and
- ◆ intergrating stakeholder processes to increase efficiency for all parties.

Enhancing OSR's revenue performance and compliance by reducing and managing outstanding fines;

Ensuring OSR's continual renewal by:

- ◆ enhancing the Integrated Fine Enforcement Management System and;
- ◆ integrated telephony capability.

Building an organisation of value-able people.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Result Indicators</u> :					
Total infringement collections:	\$m	192	249	253	229
- Crown	\$m	121	134	149	146
- Other	\$m	71	115	104	105
- Closure rate of infringements (calculated on dollar value)	%	66	70	>67	>70
- Percentage of infringements raised not statute barred	%	>85	95.1	>99	>99
Total fine enforcement collections:	\$m	87	104	134	101
- Crown	\$m	65	70	81	65
- Other	\$m	23	34	53	36
- Closure rate of enforced fines (dollar value)	%	>37	38	>40	>42

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.3 Fine Enforcement

64.3.1 Effective Infringement Processing and Fine Enforcement (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Service Measures:</u>					
Cost to collect \$100 through infringement processing	\$	8.32	9.63	<10.00	< 10.00
Cost to collect \$100 through fine enforcement	\$	15.26	14.66	<15.00	< 15.00
<u>Resources:</u>					
	EFT	161	304	437	442

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	30,963	23,423	26,333	
Other operating expenses	19,767	22,022	16,263	
Maintenance	182	82	60	
Depreciation and amortisation	109	2,954	2,338	

Total Expenses	51,021	48,481	44,994	
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Less:

Retained Revenue -

Sales of goods and services				
Fees for services	24,548	22,272	22,448	
Minor sales of goods and services	120	155	...	
Investment income	460	1,023	210	
Retained taxes, fees and fines	60	230	148	
Grants and contributions	...	51	80	

Total Retained Revenue	25,188	23,731	22,886	
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NET COST OF SERVICES	25,833	24,750	22,108	
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CAPITAL EXPENDITURE	6,117	6,902	2,391	
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TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.4 Administrative Services

64.4.1 Ensuring Eligible Payments

Outcome Objective(s): Ensure eligible applicants receive payments due under Commonwealth/State Government schemes.

Strategies: Forging powerful stakeholder relationships by continually increasing client satisfaction through the implementation of Client Service Strategy.

Driving service and efficiency through technology such as integrated telephony capability.

Ensure OSR's continual renewal and investigate collecting other types of unclaimed money.

Building an organisation of value-able people.

<u>Result Indicators</u> :	Units	2002-03	2003-04	2004-05	2005-06
First Home Owners Grant (FHOG)	\$m	312	251	260	262
Unclaimed money	\$m	8	16	11	12
Petroleum subsidy	\$m	38	39	39	38
FH Plus exemptions/concessions granted	\$m	67	127	360	350

Service Measures:

Unclaimed money refunded as % of money collected	%	23	63	>50	>50
Client Service Index	%	90	92	>85	>85
Comprehensive FHOG & FHP audit plans developed and implemented for high risk applications	no.	1,025	728	>3,000	>3,000
Random checking FHOG scheme applications prior to payment	%	25	22	>25	>25
% of FHOG applications processed within 10 days of receipt	%	68	99	>95	>95
% of FHOG correspondence processed within 24 hours of receipt	%	98	100	>98	>98

Resources:

First Home Owners Grant	EFT	38	24	27	29
Unclaimed money	EFT	15	14	14	14
Other	EFT	2	3	3	4

TREASURER AND MINISTER FOR STATE DEVELOPMENT**64 TREASURY**

64.4 Administrative Services**64.4.1 Ensuring Eligible Payments (cont)**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,736	3,564	3,754
Other operating expenses	992	1,151	976
Maintenance	27	30	30
Depreciation and amortisation	665	507	849
Grants and subsidies			
First Home Owners Scheme - grant payments	266,700	260,000	262,000
Total Expenses	272,120	265,252	267,609
Less:			
Retained Revenue -			
Sales of goods and services			
Fees for services	...	33	6
Minor sales of goods and services	...	1	...
Investment income	36	65	61
Grants and contributions	...	1	...
Other revenue	...	9	8
Total Retained Revenue	36	109	75
NET COST OF SERVICES	272,084	265,143	267,534
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CAPITAL EXPENDITURE	7	5	693

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,317,317	2,610,613	2,925,937
Other operating expenses	37,208	43,413	46,943
Depreciation and amortisation	42,718	50,100	37,658
Grants and subsidies	1,160,307	1,141,188	1,279,794
Borrowing costs	666,594	737,115	808,889
Other expenses	299,287	293,945	304,799
Total Expenses	5,523,431	4,876,374	5,404,020
Less:			
Revenue -			
Sales of goods and services	100,205	86,436	64,573
Investment income	202,084	181,060	206,930
Grants and contributions	...	...	246,819
Other revenue	51,431	191,379	86,283
Total Revenue	353,720	458,875	604,605
Gain/(loss) on disposal of non current assets	...	(27,200)	(8,743)
NET COST OF SERVICES	5,169,711	4,444,699	4,808,158

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,524,541	1,424,569	628,168
Grants and subsidies	1,246,206	1,218,149	1,552,805
Finance costs	628,370	709,681	800,131
Other	396,223	375,065	355,029
Total Payments	3,795,340	3,727,464	3,336,133
Receipts			
Sale of goods and services	92,961	76,410	58,994
Interest	151,440	148,886	143,139
Other	63,903	57,460	286,702
Total Receipts	308,304	282,756	488,835
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,487,036)	(3,444,708)	(2,847,298)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	191,431	205,862	85,183
Proceeds from sale of investments	1,850	(24,367)	119,920
Advance repayments received	132,349	136,954	126,791
Purchases of property, plant and equipment	(73,000)	(21,109)	(80,000)
Purchases of investments	(1,334)	...	(97,948)
Advances made	(82,000)	(181,326)	(93,500)
Other	...	(41,645)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	169,296	74,369	60,446
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	40,000	1,030,000	1,240,000
Repayment of borrowings and advances	(269,010)	(333,523)	(492,615)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(229,010)	696,477	747,385

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
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65 CROWN FINANCE ENTITY

	———2004-05———		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT (cont)			
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	3,799,226	3,763,144	3,408,628
Capital appropriation	216,563	277,888	632,488
Amount collected on behalf of and transferred to the Consolidated Fund	(439,354)	(1,342,524)	(2,032,775)
NET CASH FLOWS FROM GOVERNMENT	3,576,435	2,698,508	2,008,341
NET INCREASE/(DECREASE) IN CASH	29,685	24,646	(31,126)
Opening Cash and Cash Equivalents	92,979	132,386	157,032
CLOSING CASH AND CASH EQUIVALENTS	122,664	157,032	125,906
CASH FLOW RECONCILIATION			
Net cost of services	(5,169,711)	(4,444,699)	(4,808,158)
Non cash items added back	10,675	30,970	(20,726)
Change in operating assets and liabilities	1,672,000	969,021	1,981,586
Net cash flow from operating activities	(3,487,036)	(3,444,708)	(2,847,298)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	122,664	157,032	125,906
Receivables	21,816	29,116	28,640
Other financial assets	116,115	120,839	126,618
Other	5	...	...
Total Current Assets	260,600	306,987	281,164
Non Current Assets -			
Receivables	...	60,000	115,000
Investments accounted for using the equity method	577,334	588,069	628,992
Other financial assets	1,967,153	2,000,156	1,961,086
Property, plant and equipment	304,524	243,425	287,023
Total Non Current Assets	2,849,011	2,891,650	2,992,101
Total Assets	3,109,611	3,198,637	3,273,265
LIABILITIES -			
Current Liabilities -			
Payables	217,938	230,006	242,557
Interest bearing	3,766,548	2,809,219	1,287,681
Provisions	299,208	325,734	337,317
Other	184,999	207,294	111,749
Total Current Liabilities	4,468,693	3,572,253	1,979,304
Non Current Liabilities -			
Interest bearing	6,098,236	7,956,787	10,326,153
Provisions	18,930,855	18,748,146	25,425,467
Other	422,650	402,583	256,490
Total Non Current Liabilities	25,451,741	27,107,516	36,008,110
Total Liabilities	29,920,434	30,679,769	37,987,414
NET ASSETS	(26,810,823)	(27,481,132)	(34,714,149)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

STATEMENT OF FINANCIAL POSITION (cont)

EQUITY

Reserves	10,100	10,100	10,100
Accumulated funds	(26,820,923)	(27,491,232)	(34,724,249)

TOTAL EQUITY	(26,810,823)	(27,481,132)	(34,714,149)
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.1 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. Payment of interest to Treasury banking system member agencies.

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

Activities: All debt servicing activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -

Reimbursement of Treasury employee related and other operating expenses

613 645 **563**

Borrowing costs

Interest

649,230 719,329 **795,120**

Other expenses

Asset / liability management costs

550

Debt / investment management fees

7,378 6,978 **7,378**

Total Expenses

657,771 726,952 803,061

Less:

Revenue -

Investment income

1,518 3,926 **3,908**

Other revenue

432 432 **36**

Total Revenue

1,950 4,358 3,944

NET COST OF SERVICES

655,821 722,594 799,117

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.2 Refunds and Remissions of Crown Revenue

Program Objective(s): Provision of petrol and alcohol subsidy payments and refunds to provide relief from certain Crown revenues.

Program Description: The payment of petrol, alcohol subsidies and remission and refund, under certain circumstances, in regard to State taxation and other Crown revenues.

Activities: All activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Reimbursement of Treasury employee related and other operating expenses	148	160	150
Grants and subsidies			
GST offset payments for clubs	19,700	19,700	19,800
Other expenses			
Petrol subsidy payments	42,000	39,000	41,000
Alcohol subsidy payments	7,230	6,000	6,000
Refunds and remissions of Crown revenue	3,000	3,000	3,000
Payments, as Acts of Grace, in respect of claims for compensation, etc.	150	200	150
Refunds of unclaimed moneys	400	700	400
Payments to councils relating to street parking enforcement	...	1,125	450
Total Expenses	72,628	69,885	70,950
NET COST OF SERVICES	72,628	69,885	70,950

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities

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

Program Description: Periodical payments made towards costs of accrued defined benefit 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.

Activities: All activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	3,317,317	2,610,613	2,925,937
Reimbursement of Treasury employee related and other operating expenses	4,439	4,230	3,637
Other operating expenses	32,008	38,378	42,593
Depreciation and amortisation	42,718	50,100	37,658
Grants and subsidies			
Write back of workers compensation payable to rail entities	(11,445)	(7,860)	(8,200)
Actuarial adjustments - liability to NSW Self Insurance Corporation	(25,224)	(22,976)	(217,361)
Property management - Crown Property Portfolio	6,988	7,357	8,379
Contribution to Managed Insurance Fund	15,000	15,000	...
Grants to agencies	10,600	4,374	998
Contribution to Transport Accident and Governmental Workers' Compensation Funds	35,000	35,000	275,000
Contribution to the Liability Management Ministerial Corporation	974,999	975,000	1,000,000
Contribution to Treasury Managed Fund for hindsight adjustment	35,000	35,000	...

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities (cont)

OPERATING STATEMENT (cont)

Snowy Scheme reform	15,000	15,000	15,000
Capital grants - general government agencies	35,142	38,095	149,932
Reimbursement to Hunter Water for land management activities	2,654	5,605	3,700
Australian Inland Energy - pensioner subsidy	5,300	5,300	5,300
Grant to Residual Business Management Corporation (Pacific Power wind-up)	1,593	1,593	12,246
Borrowing costs			
Finance lease interest charges	17,364	17,786	13,769
Other expenses			
Payments to Audit Office for performance audits	1,500	1,500	1,550
Production of Auditor-General's Reports	1,345	1,345	1,380
State's share of higher education superannuation costs	10,000	10,000	10,000
FreightCorp privatisation costs	250	250	...
Pacific Power International privatisation costs	750	750	...
State Bank post sale costs	10,850	3,800	1,010
Compensation to the Aust Tax Office for GST administration	195,500	194,800	198,500
Procurement assistance to agencies	...	10,000	8,811
Other	18,384	14,497	25,170
Total Expenses	4,753,032	4,064,537	4,515,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities (cont)

OPERATING STATEMENT (cont)

Less:

Revenue -

Sales of goods and services			
Sale proceeds of land - profit and initial cost of land	27,686	9,197	2,713
Contributions to long service leave pool	10,072	7,181	9,200
Motor vehicle lease income	62,447	70,058	52,660
Investment income	200,566	177,134	203,022
Grants and contributions	...	...	246,819
Other revenue	50,999	190,947	86,247
Total Revenue	351,770	454,517	600,661
Gain/(loss) on disposal of non current assets	...	(27,200)	(8,743)
NET COST OF SERVICES	4,401,262	3,637,220	3,923,091

CAPITAL EXPENDITURE	174,110	130,436	175,182
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.2 Natural Disasters Relief

65.2.1 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.

	—————2004-05—————		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Grants and subsidies			
Natural Disasters Relief	32,000	7,000	7,000
Natural Disaster Relief capital grants	8,000	8,000	8,000
Total Expenses	40,000	15,000	15,000
NET COST OF SERVICES	40,000	15,000	15,000

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
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66 CROWN LEASEHOLDS ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Other operating expenses	5,693	8,939	10,398
Grants and subsidies	...	25,654	26,295
Other expenses	...	5,000	5,000
Total Expenses	5,693	39,593	41,693
Less:			
Retained Revenue -			
Sales of goods and services	42,670	41,490	51,353
Investment income	3,495	2,952	3,101
Retained taxes, fees and fines	4,040	2,042	2,042
Grants and contributions	...	49,427	42,014
Total Retained Revenue	50,205	95,911	98,510
Gain/(loss) on disposal of non current assets	...	6,691	2,738
NET COST OF SERVICES	(44,512)	(63,009)	(59,555)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Other	(103)	8,423	8,791
Total Payments	(103)	8,423	8,791
Receipts			
Sale of goods and services	42,670	41,490	51,353
Retained taxes	2,000	...	...
Interest	3,495	2,952	3,101
Other	1,797	(3,024)	(8,035)
Total Receipts	49,962	41,418	46,419
NET CASH FLOWS FROM OPERATING ACTIVITIES	50,065	32,995	37,628
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	20,000	9,155
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	20,000	9,155
CASH FLOWS FROM GOVERNMENT			
Cash transfers to Consolidated Fund	(49,970)	(53,941)	(45,612)
NET CASH FLOWS FROM GOVERNMENT	(49,970)	(53,941)	(45,612)
NET INCREASE/(DECREASE) IN CASH	95	(946)	1,171
Opening Cash and Cash Equivalents	3,793	10,072	9,126
CLOSING CASH AND CASH EQUIVALENTS	3,888	9,126	10,297
CASH FLOW RECONCILIATION			
Net cost of services	44,512	63,009	59,555
Non cash items added back	...	(18,773)	(10,719)
Change in operating assets and liabilities	5,553	(11,241)	(11,208)
Net cash flow from operating activities	50,065	32,995	37,628

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	3,888	9,126	10,297
Receivables	17,655	21,614	29,748
Total Current Assets	21,543	30,740	40,045
Non Current Assets -			
Receivables	20,329	25,347	25,981
Property, plant and equipment - Land and building	4,520,345	4,515,222	4,505,229
Total Non Current Assets	4,540,674	4,540,569	4,531,210
Total Assets	4,562,217	4,571,309	4,571,255
LIABILITIES -			
Current Liabilities -			
Payables	4,226	7,644	7,636
Other	11,360	12,257	12,563
Total Current Liabilities	15,586	19,901	20,199
Total Liabilities	15,586	19,901	20,199
NET ASSETS	4,546,631	4,551,408	4,551,056
EQUITY			
Reserves	576,924	723,111	709,716
Accumulated funds	3,969,707	3,828,297	3,841,340
TOTAL EQUITY	4,546,631	4,551,408	4,551,056

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

66.1 Administration of Crown Leases

66.1.1 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 permissive occupancies of Crown Land. Collection of fees and levies associated with the Water Act 1912, the Coomealla Pipeline and the Pindari Dam enlargement.

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Other operating expenses	5,693	8,939	10,398
Grants and subsidies			
Non cash capital grants -land	...	25,654	26,295
Other expenses			
land and buildings revaluation - decrement	...	5,000	5,000
Total Expenses	5,693	39,593	41,693
Less:			
Retained Revenue -			
Sales of goods and services			
Crown Land leases	42,670	41,490	51,353
Investment income	3,495	2,952	3,101
Retained taxes, fees and fines	4,040	2,042	2,042
Grants and contributions	...	49,427	42,014
Total Retained Revenue	50,205	95,911	98,510
Gain/(loss) on disposal of non current assets	...	6,691	2,738
NET COST OF SERVICES	(44,512)	(63,009)	(59,555)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	26,635	28,914	25,525
Other operating expenses	16,348	16,462	15,477
Maintenance	219	219	225
Depreciation and amortisation	1,120	1,120	1,120
Grants and subsidies	24,373	19,789	17,308
Other expenses	43,620	35,041	37,999
Total Expenses	112,315	101,545	97,654
Less:			
Retained Revenue -			
Sales of goods and services	538	350	400
Investment income	600	750	750
Grants and contributions	300	346	300
Other revenue	214	320	220
Total Retained Revenue	1,652	1,766	1,670
NET COST OF SERVICES	110,663	99,779	95,984

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	25,113	27,542	23,978
Grants and subsidies	29,993	24,786	22,122
Other	59,667	51,675	53,987
Total Payments	114,773	104,003	100,087
Receipts			
Sale of goods and services	538	350	400
Interest	600	750	750
Other	5,614	5,766	5,620
Total Receipts	6,752	6,866	6,770
NET CASH FLOWS FROM OPERATING ACTIVITIES	(108,021)	(97,137)	(93,317)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	130	...	130
Purchases of property, plant and equipment	(110)	(110)	(113)
Other	313	...	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	333	(110)	17
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(130)	...	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	(130)	...	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	106,489	92,598	92,891
Capital appropriation	110	110	113
Cash reimbursements from the Consolidated Fund Entity	1,007	1,007	...
Cash transfers to Consolidated Fund	...	(4,931)	...
NET CASH FLOWS FROM GOVERNMENT	107,606	88,784	93,004
NET INCREASE/(DECREASE) IN CASH	(212)	(8,463)	(296)
Opening Cash and Cash Equivalents	21,565	31,368	22,905
CLOSING CASH AND CASH EQUIVALENTS	21,353	22,905	22,609

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	———2004-05———		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(110,663)	(99,779)	(95,984)
Non cash items added back	2,642	2,642	2,667
Net cash flow from operating activities	(108,021)	(97,137)	(93,317)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	21,353	22,905	22,609
Receivables	2,973	3,707	3,707
Other financial assets	156	130	130
Other	1,985	1,579	1,579
Total Current Assets	26,467	28,321	28,025
Non Current Assets -			
Other financial assets	463	631	501
Property, plant and equipment -			
Land and building	1,966	3,198	3,198
Plant and equipment	3,051	2,851	1,844
Total Non Current Assets	5,480	6,680	5,543
Total Assets	31,947	35,001	33,568
LIABILITIES -			
Current Liabilities -			
Payables	4,434	10,782	10,782
Interest bearing	130	...	...
Provisions	2,604	2,604	2,604
Other	...	141	141
Total Current Liabilities	7,168	13,527	13,527
Non Current Liabilities -			
Interest bearing	...	130	130
Provisions	446	392	392
Total Non Current Liabilities	446	522	522
Total Liabilities	7,614	14,049	14,049
NET ASSETS	24,333	20,952	19,519
EQUITY			
Accumulated funds	24,333	20,952	19,519
TOTAL EQUITY	24,333	20,952	19,519

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy

Program Objective(s): To advance the economic development of New South Wales by securing sustainable economic and business growth in metropolitan and regional areas.

Program Description: The provision of business information on Government policies applying to industries. Marketing regional and metropolitan New South Wales as an investment location. Project facilitation and the provision of limited financial assistance. Provision of business counselling and consultancy assistance to small and medium enterprises. Assisting the development of enterprises. Promoting exports and co-ordinating public sector exports. Encouraging and promoting innovation. Acting as an advocate for business within Government.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Metropolitan projects facilitated or financially assisted -					
Investment committed	\$m	262	393	873	400
Employment Impact	no.	1,116	2,193	3,134	2,000
Regional projects facilitated or financially assisted -					
Investment committed	\$m	955	876	690	700
Employment Impact	no.	4,402	3,715	3,561	4,000
Small and medium business clients -					
Employment growth in firms assisted	no.	2,290	4,374	3,800	4,100
	%	7	13	10	10
Export growth in firms assisted	\$m	191	184	180	220
	%	16	25	20	20
Micro and Start Up business clients -					
New Employment Impact reported by Business Advisory Service Centres	no.	5,444	5,743	5,000	5,000
Industry Capability Network (NSW) Ltd - import replacement	\$m	102	110	110	110

Outputs:

Metropolitan projects facilitated or financially assisted -					
Investment projects assisted	no.	22	17	18	25
Funding to assist investment projects	\$m	2.2	9	3	7

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
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67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy (cont)

Regional projects facilitated or financially assisted -					
Investment projects assisted	no.	135	127	147	130
Funding to assist investment projects	\$m	13.9	8.5	9.8	8.0
Visits to NSW Trade and Investment Centre and the Country Embassy	no.	30,634	32,000	32,000	32,000
Internet access to DSRD's web pages (sessions)	mill	0.8	1.2	1.3	1.7
Small and medium business clients - Clients assisted	no.	2,517	2,758	2,730	2,730
Micro and Start Up business clients - Enquiries reported	no.	136,068	136,902	...	...
Businesses assisted	no.	41,679	46,978	...	...
Total services provided	no.	...	...	120,000	120,000
<u>Average Staffing:</u>	EFT	297	280	272	242

	———2004-05———		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	26,635	28,914	25,525
Other operating expenses	16,348	16,462	15,477
Maintenance	219	219	225
Depreciation and amortisation	1,120	1,120	1,120
Grants and subsidies			
Recurrent grants to non-profit organisations	10,385	9,670	9,885
Regional headquarters tax concessions	1,179	550	200
Mount Panorama precinct upgrade	5,000	5,000	...
Katoomba/Echo Point Development - capital grant to public sector	2,177	17	3,700
Hunter Advantage Fund	632	1,360	529
Illawarra Advantage Fund	3,000	1,192	2,994
Newcastle Centre for Excellence in Energy Research	2,000	2,000	...

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy (cont)

OPERATING STATEMENT (cont)

Other expenses			
Payroll tax rebates and other assistance associated with the decentralisation of secondary industry in country areas	150	150	150
Assistance to industry	12,633	8,922	9,566
Biotechnology strategies	5,620	4,997	4,814
Small Business Development	5,469	5,469	5,069
Regional development assistance	18,698	14,453	17,350
NSW High Growth Business	1,050	1,050	1,050
Total Expenses	112,315	101,545	97,654
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	538	350	400
Investment income	600	750	750
Grants and contributions	300	346	300
Other revenue	214	320	220
Total Retained Revenue	1,652	1,766	1,670
NET COST OF SERVICES	110,663	99,779	95,984
CAPITAL EXPENDITURE	110	110	113

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	5,373	5,420	6,254
Other operating expenses	3,749	4,324	3,724
Maintenance	32	32	34
Depreciation and amortisation	245	245	245
Grants and subsidies	39,722	39,722	46,083
Total Expenses	49,121	49,743	56,340
Less:			
Retained Revenue -			
Sales of goods and services	...	212	...
Investment income	12	121	12
Grants and contributions	15,000	18,754	18,000
Total Retained Revenue	15,012	19,087	18,012
NET COST OF SERVICES	34,109	30,656	38,328

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	—2004-05—		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	5,125	5,121	6,050
Grants and subsidies	39,722	39,722	46,083
Other	4,584	5,423	5,280
Total Payments	49,431	50,266	57,413
Receipts			
Sale of goods and services	...	234	...
Interest	12	153	...
Other	15,800	21,029	18,255
Total Receipts	15,812	21,416	18,255
NET CASH FLOWS FROM OPERATING ACTIVITIES	(33,619)	(28,850)	(39,158)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(39)	(539)	(39)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(39)	(539)	(39)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	33,302	29,849	37,850
Capital appropriation	39	539	39
Cash reimbursements from the Consolidated Fund Entity	322	322	...
Cash transfers to Consolidated Fund	...	(57)	57
NET CASH FLOWS FROM GOVERNMENT	33,663	30,653	37,946
NET INCREASE/(DECREASE) IN CASH	5	1,264	(1,251)
Opening Cash and Cash Equivalents	1,355	6,877	8,141
CLOSING CASH AND CASH EQUIVALENTS	1,360	8,141	6,890
CASH FLOW RECONCILIATION			
Net cost of services	(34,109)	(30,656)	(38,328)
Non cash items added back	489	489	482
Change in operating assets and liabilities	1	1,317	(1,312)
Net cash flow from operating activities	(33,619)	(28,850)	(39,158)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,360	8,141	6,890
Receivables	1,524	1,524	2,102
Other	92	92	107
Total Current Assets	2,976	9,757	9,099
Non Current Assets -			
Receivables	262	262	238
Property, plant and equipment - Plant and equipment	1,653	2,074	1,868
Total Non Current Assets	1,915	2,336	2,106
Total Assets	4,891	12,093	11,205
LIABILITIES -			
Current Liabilities -			
Payables	474	474	485
Provisions	320	320	404
Other	819	819	57
Total Current Liabilities	1,613	1,613	946
Non Current Liabilities -			
Provisions	21	21	26
Other	262	262	238
Total Non Current Liabilities	283	283	264
Total Liabilities	1,896	1,896	1,210
NET ASSETS	2,995	10,197	9,995
EQUITY			
Accumulated funds	2,995	10,197	9,995
TOTAL EQUITY	2,995	10,197	9,995

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.1 Policy and Advisory Services on Aboriginal Affairs

Program Objective(s): To bring about improvements in policies and services provided by the State consistent with the Government's policy of self determination in Aboriginal affairs.

Program Description: Development, evaluation and review of policies for and services to Aboriginal people in the State, including the examination of policies and services of other State agencies involved in Aboriginal affairs.

<u>Activities</u> :	Average Staffing (EFT)	
	2004-05	2005-06
Administrative and policy support	47	48
Office of the Registrar	8	8
	55	56

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,615	4,662	5,488
Other operating expenses	2,708	3,211	2,690
Maintenance	32	32	34
Depreciation and amortisation	245	245	245
Grants and subsidies			
Indigenous Education Projects	787	787	787
Recurrent grants to non-profit organisations	209	209	215
Total Expenses	8,596	9,146	9,459

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.1 Policy and Advisory Services on Aboriginal Affairs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services	...	212	...
Minor sales of goods and services	12	121	12
Investment income	...	254	...
Grants and contributions	...	254	...

Total Retained Revenue	12	587	12
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NET COST OF SERVICES	8,584	8,559	9,447
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CAPITAL EXPENDITURE	39	539	39
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.2 Aboriginal Communities Development Program

Program Objective(s): To address major deficiencies in housing and essential infrastructure experienced by a number of Aboriginal communities.

Program Description: Provision of policy and administrative support in the development and implementation of the program. Consultation with Aboriginal communities and Federal and State agencies to ensure full participation and co-operation in project development and construction. Monitoring and evaluation of the Program's effectiveness.

<u>Activities</u> :	Average Staffing (EFT)	
	2004-05	2005-06
Policy advice and administration	4	4
Community consultation	6	6
	10	10

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	758	758	766
Other operating expenses	1,041	1,113	1,034
Grants and subsidies			
Aboriginal infrastructure program – capital grant	38,726	38,726	45,081
Total Expenses	40,525	40,597	46,881
Less:			
Retained Revenue -			
Grants and contributions	15,000	18,500	18,000
Total Retained Revenue	15,000	18,500	18,000
NET COST OF SERVICES	25,525	22,097	28,881

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

NSW SELF INSURANCE CORPORATION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	1,009,354	877,206	721,401
Investment income	317,756	405,364	394,968
Grants and contributions	85,000	85,000	270,000
Other revenue	1,506	1,506	1,624
Total Retained Revenue	1,413,616	1,369,076	1,387,993
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	1,252,653	1,259,435	1,101,333
Grants and subsidies	...	...	245,000
Total Expenses	1,252,653	1,259,435	1,346,333
SURPLUS/(DEFICIT)	160,963	109,641	41,660

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
NSW SELF INSURANCE CORPORATION**

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	1,034,578	900,079	939,062
Interest	3,917	6,105	260
Other	193,171	183,799	375,671
Total Receipts	1,231,666	1,089,983	1,314,993
Payments			
Grants and subsidies	...	...	245,000
Other	1,035,376	933,366	1,005,670
Total Payments	1,035,376	933,366	1,250,670
NET CASH FLOWS FROM OPERATING ACTIVITIES	196,290	156,617	64,323
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	...	...	34,768
Purchases of investments	(199,324)	(142,211)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(199,324)	(142,211)	34,768
NET INCREASE/(DECREASE) IN CASH	(3,034)	14,406	99,091
Opening Cash and Cash Equivalents	76,745	73,988	88,394
CLOSING CASH AND CASH EQUIVALENTS	73,711	88,394	187,485
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	160,963	109,641	41,660
Non cash items added back	(313,805)	(401,150)	(394,708)
Change in operating assets and liabilities	349,132	448,126	417,371
Net cash flow from operating activities	196,290	156,617	64,323

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
NSW SELF INSURANCE CORPORATION**

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	88,711	103,394	202,485
Receivables	233,563	226,219	149,933
Other	863	988	863
Total Current Assets	323,137	330,601	353,281
Non Current Assets -			
Receivables	394,456	293,135	170,857
Other financial assets	4,746,367	4,917,129	5,277,069
Total Non Current Assets	5,140,823	5,210,264	5,447,926
Total Assets	5,463,960	5,540,865	5,801,207
LIABILITIES -			
Current Liabilities -			
Payables	106,000	105,056	113,000
Interest bearing	15,000	15,000	15,000
Provisions	758,304	688,318	704,518
Other	16,224	13,678	10,688
Total Current Liabilities	895,528	822,052	843,206
Non Current Liabilities -			
Provisions	267,360	239,658	220,666
Other	3,679,300	3,864,200	3,765,000
Total Non Current Liabilities	3,946,660	4,103,858	3,985,666
Total Liabilities	4,842,188	4,925,910	4,828,872
NET ASSETS	621,772	614,955	972,335
EQUITY			
Accumulated funds	621,772	614,955	972,335
TOTAL EQUITY	621,772	614,955	972,335

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Investment income	164,759	179,109	258,572
Grants and contributions	975,974	975,974	1,000,998
Total Retained Revenue	1,140,733	1,155,083	1,259,570
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	974	4,434	5,653
Total Expenses	974	4,434	5,653
SURPLUS/(DEFICIT)	1,139,759	1,150,649	1,253,917

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest*	...	164,903	243,525
Other	975,974	975,974	1,000,998
Total Receipts	975,974	1,140,877	1,244,523
Payments			
Other	974	4,306	5,550
Total Payments	974	4,306	5,550
NET CASH FLOWS FROM OPERATING ACTIVITIES	975,000	1,136,571	1,238,973
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments*	(975,000)	(1,621,762)	(1,238,346)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(975,000)	(1,621,762)	(1,238,346)
NET INCREASE/(DECREASE) IN CASH	...	(485,191)	627
Opening Cash and Cash Equivalents	...	487,216	2,025
CLOSING CASH AND CASH EQUIVALENTS	...	2,025	2,652
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	1,139,759	1,150,649	1,253,917
Non cash items added back*	(164,759)	...	...
Change in operating assets and liabilities	...	(14,078)	(14,944)
Net cash flow from operating activities	975,000	1,136,571	1,238,973

* Change in accounting treatment has resulted in return on investment and subsequent reinvestment being treated as cash movements.

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	...	2,025	2,652
Receivables	...	48,591	63,638
Other financial assets	201,044	...	...
Total Current Assets	201,044	50,616	66,290
Non Current Assets -			
Other financial assets	3,819,833	3,985,863	5,224,209
Total Non Current Assets	3,819,833	3,985,863	5,224,209
Total Assets	4,020,877	4,036,479	5,290,499
LIABILITIES -			
Current Liabilities -			
Payables	...	333	436
Total Current Liabilities	...	333	436
Total Liabilities	...	333	436
NET ASSETS	4,020,877	4,036,146	5,290,063
EQUITY			
Accumulated funds	4,020,877	4,036,146	5,290,063
TOTAL EQUITY	4,020,877	4,036,146	5,290,063

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	9,500	13,500	9,500
Total Retained Revenue	9,500	13,500	9,500
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	241	494	491
Total Expenses	241	494	491
SURPLUS/(DEFICIT)	9,259	13,006	9,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION**

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest	9,500	13,500	9,500
Total Receipts	9,500	13,500	9,500
Payments			
Other	241	494	491
Total Payments	241	494	491
NET CASH FLOWS FROM OPERATING ACTIVITIES	9,259	13,006	9,009
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(9,259)	(13,006)	(9,009)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,259)	(13,006)	(9,009)
NET INCREASE/(DECREASE) IN CASH	9,259	...	...
Reclassification of Cash Equivalents	9,259	...	...
CLOSING CASH AND CASH EQUIVALENTS	...	...	...
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	9,259	13,006	9,009
Net cash flow from operating activities	9,259	13,006	9,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

	<u>2004-05</u>		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Receivables	5,917	20,192	20,192
Other financial assets	200,442	250,848	259,857
Total Current Assets	206,359	271,040	280,049
Total Assets	206,359	271,040	280,049
LIABILITIES -			
Current Liabilities -			
Payables	59,810	43	43
Total Current Liabilities	59,810	43	43
Total Liabilities	59,810	43	43
NET ASSETS	146,549	270,997	280,006
EQUITY			
Accumulated funds	146,549	270,997	280,006
TOTAL EQUITY	146,549	270,997	280,006

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

CROWN PROPERTY PORTFOLIO

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	159,242	152,563	153,936
Investment income	...	5,683	5,872
Grants and contributions	22,408	25,620	137,274
Other revenue	6,054	3,819	3,819
Total Retained Revenue	187,704	187,685	300,901
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	133,763	123,437	123,134
Maintenance	5,185	8,402	10,957
Depreciation and amortisation	6,542	5,842	14
Grants and subsidies	...	1,375	...
Borrowing costs	16,710	16,710	15,135
Total Expenses	162,200	155,766	149,240
Gain/(loss) on disposal of non current assets	(12,460)	480	2,580
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	13,044	32,399	154,241
Distributions -			
Dividends and capital repatriations	52,783	10,790	77,825
SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS	(39,739)	21,609	76,416

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

CROWN PROPERTY PORTFOLIO

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	159,194	152,998	153,836
Interest	...	2,706	5,770
Other	48,408	54,361	156,985
Total Receipts	207,602	210,065	316,591
Payments			
Grants and subsidies	8,776	9,431	8,720
Finance costs	16,710	16,710	15,135
Other	161,822	146,177	163,398
Total Payments	187,308	172,318	187,253
NET CASH FLOWS FROM OPERATING ACTIVITIES	20,294	37,747	129,338
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	43,020	1,428	65,955
Purchases of property, plant and equipment	(12,420)	(15,374)	(35,063)
NET CASH FLOWS FROM INVESTING ACTIVITIES	30,600	(13,946)	30,892
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(1,159)	(1,159)	(85,957)
Dividends paid	(52,783)	(10,790)	(77,825)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(53,942)	(11,949)	(163,782)
NET INCREASE/(DECREASE) IN CASH	(3,048)	11,852	(3,552)
Opening Cash and Cash Equivalents	121,283	119,800	131,652
CLOSING CASH AND CASH EQUIVALENTS	118,235	131,652	128,100
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	13,044	32,399	154,241
Non cash items added back	6,542	5,627	14
Change in operating assets and liabilities	708	(279)	(24,917)
Net cash flow from operating activities	20,294	37,747	129,338

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

CROWN PROPERTY PORTFOLIO

	———2004-05———		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	118,235	131,652	128,100
Receivables	5,180	10,157	16,759
Other	100	...	...
Total Current Assets	123,515	141,809	144,859
Non Current Assets -			
Investment properties	...	...	357,481
Property, plant and equipment - Land and building	497,067	551,437	161,564
Total Non Current Assets	497,067	551,437	519,045
Total Assets	620,582	693,246	663,904
LIABILITIES -			
Current Liabilities -			
Payables	4,300	5,300	5,300
Interest bearing	17,386	17,386	1,195
Provisions	15,000	8,914	44,195
Other	9,594	16,453	14,203
Total Current Liabilities	46,280	48,053	64,893
Non Current Liabilities -			
Interest bearing	77,087	77,087	7,321
Other	92,750	99,710	50,944
Total Non Current Liabilities	169,837	176,797	58,265
Total Liabilities	216,117	224,850	123,158
NET ASSETS	404,465	468,396	540,746
EQUITY			
Reserves	192,413	194,817	67,354
Accumulated funds	212,052	273,579	473,392
TOTAL EQUITY	404,465	468,396	540,746