

2008-09 Mid-Year Financial Report (31 December Outcome)



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1 INTRODUCTION

In accordance with section 26 of the *Financial Management and Audit Act 1990*, the Treasurer is required to publish in the *Gazette* a half-yearly report by 15 February each year for the six months ended the previous 31 December. Due to the impact of the global financial crisis on the Australian and Tasmanian economies, the Government released the *2008-09 Mid-Year Financial Report (Preliminary)* in December 2008 to provide an update of the 2008-09 Budget and Forward Estimate positions. The preliminary report presented the majority of reporting obligations for a half-yearly report, with the main exception being December 2008 outcomes. As foreshadowed in the preliminary report, this report presents the December outcomes and those items that meet the remainder of statutory obligations for a half-yearly report. The *2008-09 Mid-Year Financial Report (31 December Outcome)* should be read in conjunction with the preliminary report published in December 2008.

The 2008-09 Mid-Year Financial Report (31 December Outcome) presents General Government financial results for the six months ending 31 December 2008 and revised fiscal estimates for the Public Non-Financial Corporations and Total Non-Financial Public Sectors (that were not provided in the preliminary report).

The 2008-09 Mid-Year Financial Report (31 December Outcome) contains the following information:

- Section 2 presents the Income Statement, Balance Sheet and Cash Flow Statement for the General Government Sector showing year-to-date results, original Budget and revised Budget estimates presented in accordance with the applicable Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.
- Section 3 presents revised fiscal estimates for the Public Non-Financial Corporations and Total Non-Financial Public Sectors, in accordance with the Uniform Presentation Framework reporting requirements for a Loan Council Mid-Year Report.
- Section 4 summarises details of the receipts to and expenditure from the Consolidated Fund for the six months ending 31 December 2008.

2 GENERAL GOVERNMENT

DECEMBER 2008 OUTCOME

Table 2.1: General Government Income Statement

	2007-08 Dec YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 Dec YTD Actual \$m
Revenue from transactions				
Grants ¹	1 166.7	2 525.1	2 589.7	1 200.6
Taxation ²	456.0	892.8	829.3	435.2
Sales of goods and services	123.5	314.0	308.6	175.4
Fines and regulatory fees	17.1	59.6	63.6	27.0
Interest income	21.7	94.6	85.1	38.6
Dividend, tax and rate equivalent income	142.6	154.2	162.2	79.4
Other revenue	83.5	91.0	85.4	59.8
	2 011.1	4 131.3	4 123.9	2 016.0
less Expenses from transactions				
Employee expenses	834.1	1 760.6	1 799.5	915.6
Superannuation	84.8	170.8	212.9	111.0
Depreciation	103.7	223.2	224.4	108.4
Supplies and consumables	415.7	944.7	992.7	402.1
Nominal superannuation interest expense	82.1	168.4	195.7	97.9
Borrowing costs	8.5	17.1	17.4	8.4
Grant expenses ³	371.7	725.1	730.3	456.7
Other expenses	44.0	15.7	42.3	22.4
	1 944.6	4 025.6	4 215.2	2 122.5
equals NET OPERATING BALANCE	66.5	105.7	(91.3)	(106.6)

Table 2.1 General Government Income Statement (continued)

	2007-08	2008-09	2008-09	2008-09
	Dec YTD	Original	Revised	Dec YTD
	Actual	Budget	Estimate	Actual
	\$m	\$m	\$m	\$m
plus Other economic flows – included in Operating Result				
Gain/(loss) on sale of non-financial assets	14.6	7.5	3.1	2.5
Revaluation of equity investment in PNFCs and PFCs	(336.6)	147.0	147.0	72.0
Revaluation of superannuation liability	(11.3)	(24.6)	(477.9)	(239.0)
Other gains/(losses)	....	(8.7)	(8.3)	(21.7)
	(333.3)	121.3	(336.2)	(186.2)
equals Operating Result	(266.8)	227.0	(427.5)	(292.8)
plus Other economic flows – other movements in Equity				
Revaluations of non-financial assets	....	246.1	246.1	20.9
Other non-owner movement in equity	83.0	14.7	14.7	(29.1)
	83.0	260.8	260.8	(8.2)
equals Comprehensive Result – Total change in Net Worth	(183.8)	487.7	(166.7)	(300.9)
KEY FISCAL AGGREGATES				
NET OPERATING BALANCE	66.5	105.7	(91.3)	(106.6)
less Net acquisition/(disposal) of non-financial assets				
Purchase of non-financial assets ⁴	95.7	350.4	328.5	93.3
less Sale of non-financial assets	23.1	51.6	47.2	17.8
less Depreciation	103.7	223.2	224.4	108.4
	(31.1)	75.5	56.8	(32.9)
equals FISCAL BALANCE – SURPLUS/(DEFICIT)	97.6	30.2	(148.1)	(73.6)

Notes:

1. Grants revenue is \$94.3 million or 7.3 per cent below the pro rata 2008-09 revised Budget estimate. This is primarily due to the timing of payments of GST Revenue and Specific Purpose Payments by the Australian Government to the State.
2. Taxation revenue is \$20.6 million or 5.0 per cent above the pro rata 2008-09 revised Budget estimate. The year-to-date receipts reflect the timing of Land tax revenue, where the bulk of invoices for 2008-09 were issued in November 2008.
3. Grants expenses are \$91.6 million or 25.1 per cent above the pro rata 2008-09 revised Budget estimate. This reflects the timing of the distribution of grants. For example, funds to be distributed for 2008-09 under the Tasmanian Community Forest Agreement, amounting to \$34.0 million, were primarily all paid by December 2008.
4. Purchases of non-financial assets are \$71.0 million or 43.2 per cent below the pro rata 2008-09 revised Budget estimate. This largely reflects the timing of payments for major capital projects by Budget Sector agencies, such as for roads and rail infrastructure where the majority of expenditure is anticipated to occur in the second half of the financial year.

Table 2.2: General Government Grants

	2007-08 Dec YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 Dec YTD Actual \$m
GST revenue	812.2	1 751.7	1 680.6	828.7
Australian Government specific purpose payments	225.3	489.7	537.8	235.2
Australian Government capital grants	29.8	88.9	87.9	15.0
Other grants and subsidies	99.4	194.8	283.5	121.6
TOTAL GRANTS	1 166.7	2 525.1	2 589.7	1 200.6

Table 2.3: General Government Taxation

	2007-08 Dec YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 Dec YTD Actual \$m
Payroll tax	117.7	266.1	276.1	129.3
Taxes on property				
Land tax	73.4	83.9	79.8	79.7
Fire service levies	23.0	42.8	42.8	21.8
Government guarantee fees	4.2	11.6	14.5	4.4
Taxes on financial and capital transactions	111.0	224.8	156.1	75.8
	211.6	363.1	293.2	181.6
Taxes on the provision of goods and services				
Casino tax and licence fees	28.7	60.3	60.3	29.7
Other gambling taxes	14.4	31.7	30.9	15.2
Other taxes on insurance	20.6	43.5	43.5	22.3
	63.7	135.5	134.7	67.2
Taxes on the use of goods and services				
Motor vehicle fees and taxes	63.0	128.1	125.2	57.1
	63.0	128.1	125.2	57.1
TOTAL TAXATION	456.0	892.8	829.3	435.2

Table 2.4: General Government Balance Sheet

	31 Dec 2007	30 June 2009	30 June 2009	31 Dec 2008
	Actual	Original Budget	Revised Estimate	Actual
	\$m	\$m	\$m	\$m
Assets				
<i>Financial assets</i>				
Cash and deposits	880.3	1 386.0	1 200.7	1 106.7
Investments	33.0	44.8	47.2	40.0
Equity investments in PNFC and PFC Sectors	3 241.4	3 822.5	3 964.5	3 889.7
Other equity investments	6.4	4.1	3.3	6.1
Receivables ¹	179.2	133.9	147.1	204.1
Other financial assets	967.7	1 017.4	1 018.3	992.3
	5 308.1	6 408.7	6 381.1	6 238.9
<i>Non-financial assets</i>				
Land and buildings	4 345.6	4 432.3	4 739.1	4 613.4
Infrastructure	3 982.7	4 149.1	4 723.5	4 547.7
Plant and equipment	225.9	280.4	243.7	250.0
Heritage and culture assets	417.0	409.3	427.3	419.9
Investment property	11.5	9.7	11.1	11.1
Intangible assets	12.6	21.9	25.6	22.4
Assets held for sale	1.1	1.4	5.9	3.5
Other non-financial assets	40.8	42.0	31.1	34.7
	9 037.1	9 346.0	10 207.3	9 902.6
Total Assets	14 345.2	15 754.7	16 588.3	16 141.5
Liabilities				
Borrowings	344.1	308.0	299.5	300.2
Superannuation	3 713.2	3 885.9	4 346.0	4 028.1
Employee entitlements	389.9	439.5	414.5	389.2
Payables	67.5	123.9	85.6	77.7
Other liabilities	288.7	230.1	227.9	265.6
Total Liabilities	4 803.4	4 987.4	5 373.5	5 060.7
NET ASSETS	9 541.8	10 767.3	11 214.9	11 080.8
Equity				
Accumulated surplus	6 134.8	6 666.8	6 550.4	6 632.2
Asset revaluation reserve	3 251.0	3 427.0	4 517.7	4 292.6
Other reserves	156.0	673.5	146.7	156.0
Total Equity	9 541.8	10 767.3	11 214.9	11 080.8

Table 2.4 General Government Balance Sheet (continued)

	31 Dec 2007	30 June 2009	30 June 2009	31 Dec 2008
	Actual	Original Budget	Revised Estimate	Actual
	\$m	\$m	\$m	\$m
KEY FISCAL AGGREGATES				
NET WORTH²	9 541.8	10 767.3	11 214.9	11 080.8
NET FINANCIAL WORTH³	504.7	1 421.3	1 007.6	1 178.2
NET FINANCIAL LIABILITIES⁴	2 736.7	2 401.2	2 957.0	2 711.5
NET DEBT⁵	(569.3)	(1 122.8)	(948.5)	(846.5)

Notes:

1. Receivables, as at 31 December 2008, are \$57.0 million above the revised Budget estimate at 30 June 2009. This reflects an accrual for land tax receivable due to the annual invoices for land tax being issued in November 2008.
2. Net Worth represents Total Assets less Total Liabilities.
3. Net Financial Worth represents Total Financial assets less Total Liabilities.
4. Net Financial Liabilities represents Total Liabilities less Financial assets, excluding Equity investment in the Public Non-Financial Corporations and Public Financial Corporations sectors.
5. Net Debt represents Borrowings less the sum of Cash and deposits and Investments.

Table 2.5: General Government Cash Flow Statement

	2007-08 Dec YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 Dec YTD Actual \$m
Cash Flows from operating activities				
<i>Cash received</i>				
Grants received	1 169.3	2 525.1	2 589.7	1 198.0
Taxation	429.5	892.8	818.0	379.4
Sales of goods and services	135.9	312.5	307.2	159.3
Fines and regulatory fees	21.0	59.1	63.0	26.3
Interest received	24.9	94.6	85.1	44.6
Dividend, tax and rate equivalents	142.6	154.2	162.2	79.4
Other receipts	163.7	224.7	218.0	133.2
	2 086.9	4 262.9	4 243.3	2 020.2
<i>Cash paid</i>				
Employee entitlements	(838.2)	(1 734.0)	(1 772.9)	(926.8)
Superannuation	(108.2)	(237.1)	(250.7)	(127.7)
Supplies and consumables	(363.4)	(946.6)	(997.9)	(409.5)
Borrowing costs	(5.4)	(16.6)	(16.9)	(3.2)
Grants and subsidies paid	(376.6)	(724.9)	(730.1)	(451.9)
Other payments	(144.4)	(145.2)	(169.3)	(103.3)
	(1 836.1)	(3 804.4)	(3 937.9)	(2 022.4)
Net cash flows from operating activities	250.8	458.4	305.4	(2.2)
Cash flows from investing activities				
<i>Non-financial assets</i>				
Purchase of non-financial assets ¹	(95.7)	(350.0)	(328.1)	(93.3)
Sale of non-financial assets	23.1	51.6	47.2	17.8
	(72.6)	(298.4)	(280.9)	(75.4)
<i>Financial assets (Policy purposes)</i>				
Equity injections	(14.8)	2.7	(97.3)	(99.9)
Net advances paid	1.7	3.4	(13.8)	(6.6)
	(13.0)	6.1	(111.1)	(106.5)
<i>Financial assets (Liquidity management purposes)</i>				
Net purchase of investments	(0.3)	....	....	....
	(0.3)	....	....	....
Net cash flows from investing activities	(85.9)	(292.3)	(391.9)	(181.9)

Table 2.5 General Government Cash Flow Statement (continued)

	2007-08 Dec YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 Dec YTD Actual \$m
Cash flows from financing activities				
Net borrowing ²	(31.5)	(23.1)	(18.7)	(15.9)
Net cash flows from financing activities	(31.5)	(23.1)	(18.7)	(15.9)
Net increase/(decrease) in cash held	133.3	143.0	(105.2)	(200.0)
KEY FISCAL AGGREGATES				
Net cash flows from operating activities	250.8	458.4	305.4	(2.2)
plus Net cash from investments in non-financial assets	(72.6)	(298.4)	(280.9)	(75.4)
equals CASH SURPLUS/(DEFICIT)	178.2	160.0	24.5	(77.6)

Notes:

1. Year-to-date cash payments for purchases of non-financial assets at 31 December 2008 are \$70.8 million or 43.1 per cent below the pro rata 2008-09 revised Budget estimate. This largely reflects the timing of payments for major capital projects where the payments are expected to occur in the second half of the financial year.
2. Year-to-date net borrowings amounts to an outflow of \$15.9 million at 31 December 2008, compared to a revised Budget outflow of \$18.7 million for 2008-09. This primarily reflects the timing of the final Prison lease payments, which were fully paid in the first half the financial year.

3 UNIFORM GOVERNMENT REPORTING

In accordance with the Uniform Presentation Framework, this Report presents revised fiscal estimates that take into account fiscal developments since the commencement of the Budget year.

Table 3.1 presents details of the revised Loan Council Allocation (LCA) for 2008-09, and Tables 3.2 to 3.7 present Income Statements, Balance Sheets and Cash Flow Statements for the PNFC and Total Non-Financial Public Sectors. Fiscal estimates for the General Government Sector are presented in the 2008-09 Mid-Year Financial Report (Preliminary).

Loan Council arrangements provide for each State and Territory to nominate a LCA based on the estimated combined General Government and PNFC Sector Cash Deficit/(Surplus) plus memorandum items. Memorandum items are other financing transactions, which for Loan Council purposes, are treated as analogous to borrowings. This measure of the level of financing, therefore, focuses on the call of the public sector on national savings.

A tolerance band calculated as two per cent of Total Non-Financial Public Sector revenue (estimated to be \$124 million for 2008-09) applies between the budgeted LCA and the LCA outcome. Applying this band to Tasmania's budgeted LCA for 2008-09 of negative \$30.3 million gives a tolerance band of negative \$154.3 million to positive \$93.7 million. The tolerance band recognises that LCAs are nominated at early stages of the Budget process and that estimates are likely to change as a result of policy and parameter changes before and after Budgets are brought down.

Table 3.1 shows that the revised estimate of the 2008-09 LCA outcome is not expected to remain within the tolerance limit. The 2008-09 Mid-Year revised estimate of an LCA outcome of \$196.9 million is \$227.2 million greater than the original Budget estimate. The variance is due primarily to the anticipated fall in the General Government Cash Surplus of \$135.5 million, and the anticipated increase in the PNFC Sector Cash Deficit of \$67.3 million.

The movement in the PNFC Sector Cash Deficit is due an anticipated increase in Cash payments from operating activities of \$115.6 million and an increase in the Purchase of non-financial assets of \$15.9 million, offset by an increase in Cash receipts from operating activities of \$50.2 million. Cash payments are anticipated to increase by \$102.5 million in Supplies and consumables and \$16.6 million in Other payments, which is offset by reduced Borrowing costs of \$6.7 million. The increase in Cash receipts primarily relates to an increase of \$21.6 million in Sales of goods and services and \$29.7 million in Other receipts.

Table 3.1: Loan Council Allocation for 2008-09

	2008-09 Original Budget	2008-09 Revised Estimate
	\$m	\$m
General Government Sector Cash Deficit/(Surplus)	(160.0)	(24.5)
Public Non-Financial Corporations Sector Cash Deficit/(Surplus)	75.8	143.1
Total Non-Financial Public Sector Cash Deficit/(Surplus)	(84.2)	118.6
<i>less</i> Total Non-Financial Public Sector Net Cash Flows from Investments in Financial Assets for Policy Purposes	6.1	(11.1)
<i>plus</i> Memorandum Item - Local Government New Cash Borrowings	60.0	67.2
Total LCA Deficit/(Surplus)	(30.3)	196.9

Table 3.2: Public Non-Financial Corporations Sector Income Statement

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Revenue from transactions					
Grants	78.4	78.2	73.5	76.0	75.7
Sales of goods and services	1 898.7	1 938.9	2 025.7	2 123.4	2 227.8
Interest income	5.5	5.4	4.5	4.6	5.9
Other revenue	37.5	35.9	47.4	54.0	58.2
	2 020.2	2 058.4	2 151.2	2 258.0	2 367.6
less Expenses from transactions					
Employee expenses	276.1	277.6	291.8	304.6	316.6
Superannuation	40.5	41.1	42.4	42.9	43.4
Depreciation	234.8	251.9	271.1	285.9	299.1
Supplies and consumables	1 122.5	1 212.4	1 176.2	1 215.0	1 242.2
Borrowing costs	149.7	150.2	168.9	182.3	195.3
Dividend, tax and rate equivalent expenses	90.3	29.6	78.7	123.7	151.6
Grant expenses	20.2	20.0	21.0	21.5	22.0
Other expenses	11.1	12.1	12.5	13.1	13.6
	1 945.1	1 994.8	2 062.6	2 188.8	2 283.6
equals NET OPERATING BALANCE	75.1	63.5	88.6	69.2	84.0
plus Other economic flows – included in Operating Result					
Gain/(loss) on sale of non-financial assets	2.4	2.3	1.5	1.5	2.5
Other gains/(losses)	33.0	(18.7)	2.7	93.3	136.0
	35.4	(16.4)	4.2	94.9	138.5
equals Operating Result	110.5	47.2	92.8	164.1	222.4

Table 3.2 Public Non-Financial Corporations Sector Income Statement (continued)

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
plus Other economic flows – other movements in Equity					
Revaluations of non-financial assets	36.5	121.9	22.3	43.7	46.3
Other non-owner movements in equity	....	89.9	97.6	9.9	2.7
	36.5	211.8	119.9	53.7	49.0
equals Comprehensive Result – Total change in Net Worth	147.0	259.0	212.7	217.8	271.4
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE	75.1	63.5	88.6	69.2	84.0
less Net acquisition/(disposal) of non-financial assets					
Purchase of non-financial assets	412.1	428.0	477.4	461.9	414.2
less Sale of non-financial assets	4.5	4.3	3.3	8.5	4.6
less Depreciation	234.8	251.9	271.1	285.9	299.1
	172.9	171.8	203.0	167.6	110.6
equals FISCAL BALANCE – SURPLUS/(DEFICIT)	(97.7)	(108.2)	(114.4)	(98.3)	(26.6)

Table 3.3: Public Non-Financial Corporations Sector Balance Sheet as at 30 June

	2009 Original Budget	2009 Revised Estimate	2010 Revised Estimate	2011 Revised Estimate	2012 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Assets					
<i>Financial assets</i>					
Cash and deposits	97.8	115.5	100.3	111.5	135.0
Investments	26.5	201.5	321.4	410.6	441.7
Equity investment	....	300.0	357.0	357.0	357.0
Receivables	335.4	307.0	338.4	351.1	358.0
Other financial assets	810.5	1 322.3	1 316.0	1 311.2	1 300.1
	1 270.2	2 246.3	2 433.1	2 541.5	2 591.7
<i>Non-financial assets</i>					
Land and buildings	896.3	819.7	915.0	924.7	940.3
Infrastructure	5 950.7	6 621.0	6 852.1	7 073.7	7 224.3
Plant and equipment	590.3	663.6	655.1	658.2	662.4
Assets held for sale	3.1	3.0	3.0	2.8	2.6
Other non-financial assets	40.2	70.5	52.4	52.7	55.7
	7 480.6	8 177.7	8 477.5	8 712.1	8 885.3
Total Assets	8 750.8	10 424.0	10 910.6	11 253.5	11 477.0
Liabilities					
Borrowings	2 200.3	2 430.5	2 640.7	2 814.3	2 863.0
Superannuation	497.1	494.5	518.8	524.6	530.5
Employee entitlements	129.1	103.1	110.2	114.4	120.1
Payables	336.9	317.8	349.8	358.4	341.7
Other liabilities	2 126.3	3 393.2	3 393.5	3 326.3	3 234.8
	5 289.8	6 739.0	7 012.9	7 138.0	7 090.1
NET ASSETS	3 461.0	3 685.0	3 897.7	4 115.5	4 386.9
Equity					
Accumulated surplus	1 411.9	1 609.4	1 772.0	1 937.2	2 160.4
Asset revaluation reserve	832.1	1 005.9	1 028.2	1 072.0	1 118.3
Other reserves	1 217.1	1 069.6	1 097.5	1 106.3	1 108.2
Total Equity	3 461.0	3 685.0	3 897.7	4 115.5	4 386.9

Table 3.3 Public Non-Financial Corporations Sector Balance Sheet as at 30 June (continued)

	2009	2009	2010	2011	2012
	Original	Revised	Revised	Revised	Revised
	Budget	Estimate	Estimate	Estimate	Estimate
	\$m	\$m	\$m	\$m	\$m
KEY FISCAL AGGREGATES					
NET WORTH¹	3 461.0	3 685.0	3 897.7	4 115.5	4 386.9
NET FINANCIAL WORTH²	(4 019.5)	(4 492.7)	(4 579.7)	(4 596.6)	(4 498.4)
NET FINANCIAL LIABILITIES³	4 019.5	4 492.7	4 579.7	4 596.6	4 498.4
NET DEBT⁴	2 076.0	2 113.5	2 219.0	2 292.2	2 286.3

Notes:

1. Net Worth represents Total Assets less Total Liabilities.
2. Net Financial Worth represents Total Financial assets less Total Liabilities.
3. Net Financial Liabilities represents Total Liabilities less Financial assets.
4. Net Debt represents Borrowings less the sum of Cash and deposits and Investments.

Table 3.4: Public Non-Financial Corporations Sector Cash Flow Statement

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Cash flows from operating activities					
<i>Cash received</i>					
Grants received	78.4	77.4	73.2	75.6	75.8
Sales of goods and services	1 871.7	1 893.3	1 976.9	2 069.2	2 223.1
Interest received	5.1	4.9	4.5	4.2	5.5
Other receipts	156.1	185.8	194.3	210.0	227.6
	2 111.3	2 161.5	2 248.9	2 359.0	2 532.0
<i>Cash paid</i>					
Employee entitlements	(284.1)	(287.3)	(301.3)	(311.8)	(326.6)
Superannuation	(35.2)	(35.4)	(36.5)	(37.1)	(37.7)
Supplies and consumables	(860.4)	(962.9)	(904.5)	(970.2)	(1 052.8)
Borrowing costs	(154.0)	(147.3)	(165.6)	(180.3)	(192.1)
Grants and subsidies paid	(20.1)	(19.9)	(20.9)	(21.4)	(21.9)
Other payments	(345.3)	(361.9)	(352.3)	(335.1)	(355.8)
	(1 699.1)	(1 814.7)	(1 781.2)	(1 856.0)	(1 987.0)
Net cash flows from operating activities	412.2	346.7	467.8	503.1	545.0
Cash flows from investing activities					
<i>Non-financial assets</i>					
Purchase of non-financial assets	(412.1)	(428.0)	(477.4)	(461.9)	(414.2)
Sale of non-financial assets	4.5	4.3	3.3	8.5	4.6
	(407.6)	(423.7)	(474.1)	(453.5)	(409.6)
<i>Financial assets (Policy purposes)</i>	....	100.0	....	....	....
<i>Financial assets (Liquidity management purposes)</i>	(76.1)	(228.0)	(150.5)	(84.2)	(25.5)
Net cash flows from investing activities	(483.8)	(551.7)	(624.6)	(537.7)	(435.1)

Table 3.4 Public Non-Financial Corporations Sector Cash Flow Statement (continued)

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Cash flows from financing activities					
Net borrowing	133.2	300.8	211.2	165.2	41.4
Dividends and income tax equivalents	(80.3)	(66.1)	(69.4)	(117.9)	(125.8)
Net cash flows from financing activities	52.9	234.7	141.8	47.4	(84.4)
Net increase/(decrease) in cash held	(18.7)	29.7	(15.1)	12.7	25.4
KEY FISCAL AGGREGATES					
Net cash flows from operating activities	412.2	346.7	467.8	503.1	545.0
<i>plus</i> Dividends and income tax equivalents	(80.3)	(66.1)	(69.4)	(117.9)	(125.8)
<i>plus</i> Net cash from investments in non-financial assets	(407.6)	(423.7)	(474.1)	(453.5)	(409.6)
<i>equals</i> CASH SURPLUS/(DEFICIT)	(75.8)	(143.1)	(75.7)	(68.3)	9.5

Table 3.5: Total Non-Financial Public Sector Income Statement

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Revenue from transactions					
Grants	2 525.1	2 589.7	2 614.2	2 624.0	2 733.6
Taxation	892.8	829.3	842.7	868.6	893.8
Sales of goods and services	2 212.8	2 247.5	2 340.1	2 448.6	2 566.5
Fines and regulatory fees	59.6	63.6	68.4	70.3	72.3
Interest income	100.2	90.5	70.3	77.0	83.4
Dividend, tax and rate equivalent Income	73.6	93.1	64.6	47.7	41.5
Other revenue	128.6	121.3	132.2	141.9	146.3
	5 992.6	6 034.9	6 132.6	6 278.1	6 537.4
less Expenses from transactions					
Employee expenses	2 036.7	2 077.1	2 101.4	2 154.1	2 208.6
Superannuation	211.3	254.0	246.0	252.1	252.8
Depreciation	458.0	476.3	501.9	522.8	543.0
Supplies and consumables	2067.2	2 205.1	2 112.9	2 132.0	2 152.5
Nominal superannuation interest expense	168.4	195.7	202.6	209.2	215.0
Borrowing costs	166.8	167.6	185.9	199.2	212.1
Grant expenses	666.9	672.1	663.5	658.8	670.0
Other expenses	26.8	54.4	29.9	28.2	24.3
	5 802.0	6 102.2	6 044.2	6 156.2	6 278.2
equals NET OPERATING BALANCE	190.6	(67.3)	88.4	121.9	259.3
plus Other economic flows – included in					
Operating Result					
Gain/(loss) on sale of non-financial assets	9.9	5.4	11.6	5.1	7.4
Revaluation of superannuation liability	(24.6)	(477.9)	....	....	....
Other gains/(losses)	2.6	(27.0)	1.1	87.9	123.6
	(12.0)	(499.5)	12.7	93.1	131.0
equals Operating Result	178.5	(566.8)	101.1	215.0	390.2

Table 3.5 Total Non-Financial Public Sector Income Statement
(continued)

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
plus Other economic flows – other movements in Equity					
Revaluations of non-financial assets	281.3	367.9	257.5	287.1	289.4
Other flows	15.9	31.8	82.9	(15.9)	(66.6)
	297.2	399.7	340.5	271.2	222.8
equals Comprehensive Result – Total change in Net Worth	475.7	(167.1)	441.6	486.2	613.0
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE	190.6	(67.3)	88.4	121.9	259.3
less Net acquisition/(disposal) of non-financial assets					
Purchase of non-financial assets	762.5	756.5	863.2	853.9	766.7
less Sale of non-financial assets	56.1	51.5	67.4	52.1	45.7
less Depreciation	458.0	476.3	501.9	522.8	543.0
	248.4	228.7	293.9	279.1	178.1
equals FISCAL BALANCE – SURPLUS/(DEFICIT)	(57.8)	(296.0)	(205.4)	(157.1)	81.2

Table 3.6: Total Non-Financial Public Sector Balance Sheet as at 30 June

	2009 Original Budget	2009 Revised Estimate	2010 Revised Estimate	2011 Revised Estimate	2012 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Assets					
<i>Financial assets</i>					
Cash and deposits	1 483.8	1 316.2	1 341.4	1 415.8	1 636.6
Investments	71.3	248.7	372.4	455.7	480.2
Equity investment in PFC sector	361.5	279.5	241.8	215.0	159.4
Other equity investments	4.0	303.3	360.6	361.2	361.8
Receivables	469.3	454.1	490.6	510.7	524.8
Other financial assets	742.9	1 405.8	1 372.3	1 359.8	1 314.9
	3 132.8	4 007.6	4 179.1	4 318.2	4 477.6
<i>Non-financial assets</i>					
Land and buildings	5 328.5	5 558.8	5 798.6	5 953.9	6 134.6
Infrastructure	10 099.7	11 344.5	11 748.9	12 174.0	12 476.4
Plant and equipment	870.7	907.3	904.2	904.4	894.5
Heritage and cultural assets	409.3	427.3	436.1	445.1	454.4
Investment property	9.7	11.1	11.1	11.1	11.1
Assets held for sale	4.6	8.9	10.9	8.7	8.5
Intangible assets	21.9	25.6	22.9	20.3	17.9
Other non-financial assets	82.2	101.6	83.9	84.5	87.9
	16 826.6	18 385.0	19 016.5	19 602.0	20 085.3
Total Assets	19 959.4	22 392.6	23 195.6	23 920.2	24 562.9
Liabilities					
Borrowings	2 508.3	2 730.0	2 933.5	3 100.4	3 134.0
Superannuation	4 383.0	4 840.5	5 012.2	5 143.3	5 264.8
Employee entitlements	568.6	517.6	513.6	542.3	568.9
Payables	460.8	403.4	436.7	447.0	432.1
Other liabilities	1 271.5	2 686.3	2 643.2	2 544.4	2 407.4
Total Liabilities	9 192.2	11 177.7	11 539.1	11 777.5	11 807.2
NET ASSETS	10 767.2	11 214.8	11 656.5	12 142.9	12 755.6
Equity					
Accumulated surplus	5 582.5	5 283.8	5 438.8	5 627.9	5 948.1
Asset revaluation reserve	4 259.1	5 523.6	5 781.1	6 068.3	6 357.6
Other reserves	925.6	407.3	436.6	446.7	449.9
Total Equity	10 767.2	11 214.8	11 656.5	12 142.9	12 755.6

Table 3.6 Total Non-Financial Public Sector Balance Sheet as at 30 June (continued)

	2009 Original Budget	2009 Revised Estimate	2010 Revised Estimate	2011 Revised Estimate	2012 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
KEY FISCAL AGGREGATES					
NET WORTH¹	10 767.2	11 214.8	11 656.5	12 142.9	12 755.6
NET FINANCIAL WORTH²	(6 059.4)	(7 170.1)	(7 360.0)	(7 459.3)	(7 329.6)
NET FINANCIAL LIABILITIES³	6 420.9	7 449.6	7 601.7	7 674.3	7 489.0
NET DEBT⁴	953.2	1 165.1	1 219.7	1 228.9	1 017.2

Notes:

1. Net Worth represents Total Assets less Total Liabilities.
2. Net Financial Worth represents Total Financial assets less Total Liabilities.
3. Net Financial Liabilities represents Total Liabilities less Financial assets, excluding Equity investment in the Public Financial Corporations sectors.
4. Net Debt represents Borrowings less the sum of Cash and deposits and Investments.

Table 3.7: Total Non-Financial Public Sector Cash Flow Statement

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Cash flows from operating activities					
<i>Cash received</i>					
Grants received	2 525.1	2 589.7	2 614.2	2 624.0	2 733.6
Taxation	892.8	818.0	842.7	868.6	893.8
Sales of goods and services	2 184.2	2 200.5	2 290.0	2 393.2	2 560.5
Fines and regulatory fees	59.1	63.0	64.4	64.3	66.3
Interest received	99.7	90.0	69.6	75.8	82.3
Dividend, tax and rate equivalents	73.6	96.1	83.7	31.7	34.2
Other receipts	380.8	403.8	413.6	433.8	452.9
	6 215.2	6 261.2	6 378.2	6 491.5	6 823.6
<i>Cash paid</i>					
Employee entitlements	(2 018.1)	(2 060.2)	(2 118.2)	(2 135.7)	(2 194.8)
Superannuation	(272.3)	(286.1)	(298.0)	(330.1)	(346.5)
Supplies and consumables	(1 807.0)	(1 960.8)	(1 844.9)	(1 890.9)	(1 967.1)
Borrowing costs	(170.6)	(164.2)	(182.1)	(196.7)	(208.4)
Grants and subsidies paid	(666.6)	(672.6)	(663.6)	(658.9)	(669.6)
Other payments	(490.5)	(531.2)	(500.7)	(481.7)	(502.2)
	(5 425.2)	(5 675.1)	(5 607.5)	(5 694.1)	(5 888.7)
Net cash flows from operating activities	790.0	586.0	770.7	797.4	934.8
Cash flows from investing activities					
<i>Non-financial assets</i>					
Purchase of non-financial assets	(762.1)	(756.1)	(862.8)	(853.6)	(766.4)
Sale of non-financial assets	56.1	51.5	67.4	52.1	45.7
	(706.0)	(704.6)	(795.4)	(801.6)	(720.7)
<i>Financial assets (Policy purposes)</i>	6.1	(11.1)	(3.9)	5.8	6.5
<i>Financial assets (Liquidity management purposes)</i>	(76.1)	(228.0)	(150.5)	(84.2)	(25.5)
Net cash flows from investing activities	(776.1)	(943.7)	(949.8)	(880.0)	(739.7)

Table 3.7 Total Non-Financial Public Sector Cash Flow Statement
(continued)

	2008-09 Original Budget	2008-09 Revised Estimate	2009-10 Revised Estimate	2010-11 Revised Estimate	2011-12 Revised Estimate
	\$m	\$m	\$m	\$m	\$m
Cash flows from financing activities					
Net borrowings	110.1	282.1	204.5	158.4	27.4
Net cash flows from financing activities	110.1	282.1	204.5	158.4	27.4
Net increase/(decrease) in cash held	124.0	(75.6)	25.3	75.8	222.5
KEY FISCAL AGGREGATES					
Net cash flows from operating activities	790.0	586.0	770.7	797.4	934.8
<i>plus</i> Net cash from investments in non-financial assets	(706.0)	(704.6)	(795.4)	(801.6)	(720.7)
<i>equals</i> CASH SURPLUS/(DEFICIT)	84.0	(118.6)	(24.7)	(4.2)	214.1

4 CONSOLIDATED FUND

Table 4.1: Consolidated Fund Outcome 2008-09

	2007-08 December YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 December YTD Actual \$m
Receipts				
Australian Government sources				
Recurrent receipts	1 037.5	2 241.4	2 218.4	1 064.0
Capital receipts	29.8	88.9	87.9	15.0
Total Australian Government sources	1 067.4	2 330.3	2 306.3	1 079.0
State sources				
Recurrent receipts	678.4	1 356.1	1 364.2	696.5
Capital receipts	50.4	0.3	0.3	0.4
Total State sources	728.8	1 356.4	1 364.5	696.9
Total Receipts	1 796.2	3 686.7	3 670.8	1 775.9
<i>less</i> Expenditure				
Recurrent services				
Appropriation Act	1 529.5	3 183.3	3 270.6	1 737.6
Reserved by Law	70.0	151.8	143.2	75.0
Total Recurrent services	1 599.4	3 335.1	3 413.8	1 812.6
Works and services	73.6	337.5	255.6	72.7
Total Expenditure	1 673.0	3 672.6	3 669.4	1 885.4
<i>equals</i> CONSOLIDATED FUND SURPLUS/(DEFICIT) ¹	123.2	14.1	1.4	(109.5)

Notes:

1. The Consolidated Fund Deficit as at 31 December 2008 reflects cyclic variations in revenue collections and expenditure through the Consolidated Fund and does not provide a pro rata indication of the Consolidated Fund Outcome for the full financial year.

Table 4.2: Consolidated Fund Expenditure 2008-09

	2007-08 December YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 December YTD Actual \$m
Economic Development and Tourism				
Recurrent services	20.8	80.3	77.6	32.8
Total	20.8	80.3	77.6	32.8
Education				
Recurrent services	424.4	834.7	844.5	455.9
Works and services	3.9	33.6	33.6	4.5
Total	428.4	868.3	878.1	460.4
Environment, Parks, Heritage and the Arts				
Recurrent services	44.6	67.7	70.2	36.5
Works and services	0.6	5.9	6.9	1.5
Total	45.2	73.7	77.1	37.9
Finance-General				
Recurrent services	166.6	444.3	499.8	270.4
Works and services	....	87.7	17.7	....
Total	166.6	532.0	517.5	270.4
Health and Human Services				
Recurrent services	639.2	1 247.7	1 274.6	678.5
Works and services	4.3	22.0	20.1	5.7
Total	643.5	1 269.8	1 294.6	684.2
House of Assembly				
Recurrent services	3.3	6.6	6.8	3.6
Total	3.3	6.6	6.8	3.6
Infrastructure, Energy and Resources				
Recurrent services	57.5	120.5	118.1	65.0
Works and services	54.0	169.9	159.0	45.6
Total	111.5	290.4	277.1	110.6
Justice				
Recurrent services	56.4	120.5	118.7	59.7
Works and services	9.2	12.3	12.3	11.5
Total	65.6	132.7	131.0	71.2
Legislative Council				
Recurrent services	2.7	5.5	5.6	2.8
Total	2.7	5.5	5.6	2.8

Table 6.2 Consolidated Fund Expenditure 2008-09 (continued)

	2007-08 December YTD Actual \$m	2008-09 Original Budget \$m	2008-09 Revised Estimate \$m	2008-09 December YTD Actual \$m
Legislature-General				
Recurrent services	2.6	5.4	5.3	2.5
Works and services	....	3.5	3.5	3.1
Total	2.6	8.9	8.8	5.6
Ministerial and Parliamentary Support				
Recurrent services	9.7	18.7	18.5	10.6
Total	9.7	18.7	18.5	10.6
Office of the Governor				
Recurrent services	1.3	3.1	3.0	1.6
Total	1.3	3.1	3.0	1.6
Office of the Ombudsman				
Recurrent services	0.7	1.4	1.4	0.8
Total	0.7	1.4	1.4	0.8
Police and Emergency Management				
Recurrent services	85.9	182.4	178.9	96.0
Works and services	1.0	1.2	1.2	0.2
Total	86.9	183.6	180.1	96.2
Premier and Cabinet				
Recurrent services	25.5	62.1	60.8	31.0
Works and services	....	0.3	0.3	....
Total	25.6	62.3	61.1	31.0
Primary Industries and Water				
Recurrent services	41.6	92.0	88.3	44.4
Works and services	0.5	1.1	1.1	0.7
Total	42.1	93.1	89.4	45.2
Tasmanian Audit Office				
Recurrent services	0.2	2.0	2.0	1.0
Total	0.2	2.0	2.0	1.0
Treasury and Finance				
Recurrent services	16.5	40.3	39.7	19.4
Total	16.5	40.3	39.7	19.4
TOTAL	1 673.0	3 672.6	3 669.4	1 885.4

