

DEFENCE HOUSING AUTHORITY

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The function, structure and activities of the Authority are as reported in the *Portfolio Budget Statements 2002-03* except for the following changes:

- The Authority is within the Defence portfolio, responsible to Senator the Hon Robert Hill, the Minister for Defence, through the Hon Danna Vale MP, Minister Assisting the Minister for Defence. Senator the Hon Eric Abetz, the Special Minister of State, is a joint shareholder minister of the Authority on behalf of Senator the Hon Nick Minchin, the Minister for Finance and Administration.
- The Authority has made capital returns and special dividend payments to the Government of \$400m in June 2001 and \$250m in 2001-02. Special dividend/capital return payments are also planned for 2002-03, 2003-04 and 2004-05. In total, the amount of capital returned to the Government will exceed \$1.3b.
- The \$100m debt drawdown foreshadowed in the *Portfolio Budget Statements 2002-03* occurred on 1 June 2002.
- The Authority employs over 700 staff located in 14 major regional offices and 15 outpost offices.

OUTCOME AND OUTPUT INFORMATION

Outcome

The Authority's outcome remains:

To contribute to the Defence outcome by providing total housing services that meet Defence operational and client needs through a strong customer and business focus.

OUTPUT

The Output and performance indicators for the Authority are as reported in the *Portfolio Budget Statements 2002-03*.

BUDGETED FINANCIAL STATEMENTS

The following budgeted financial statements for the Defence Housing Authority are presented in this section.

Budgeted Statement of Financial Performance

This statement provides a picture of the expected financial results for the Authority by identifying full accrual expenses and revenues, which highlight whether the Authority is operating at a sustainable level in the short run.

Budgeted Statement of Financial Position

This statement shows the financial position of the Authority. It enables decision-makers to track the management of the Authority's assets and liabilities.

Budgeted Cash Flow Statement

Budgeted cash flows, as reflected in the statement of cash flows, provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Capital Budget

The capital budget shows all proposed capital expenditure funded from internal sources.

Non-Financial Assets – Summary of Movement

This statement shows only the budget year 2002-03.

Table 1: Statement of Financial Performance

Result	Budget Estimate	Revised Estimate	Estimated	Estimated	Estimated
2001-02	2002-03	2002-03	2003-04	2004-05	2005-06
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues					
344,233	356,704	356,704	368,201	371,601	371,601
6,883	472	472	720	720	720
17,876	3,224	3,224	4,179	4,179	4,179
368,992	360,400	360,400	373,100	376,500	376,500
Expenses					
37,066	35,900	35,900	37,000	38,100	38,100
223,689	226,712	226,712	231,523	241,023	241,023
15,773	14,588	14,588	14,577	14,577	14,577
480	7,000	7,000	13,000	14,000	14,000
277,008	284,200	284,200	296,100	307,700	307,700
91,984	76,200	76,200	77,000	68,800	68,800
-	(22,900)	(22,900)	(23,100)	(20,600)	(20,600)
91,984	53,300	53,300	53,900	48,200	48,200
(66,525)	(32,000)	(32,000)	(32,400)	(28,900)	(28,900)
25,459	21,300	21,300	21,500	19,300	19,300

Table 2: Statement of Financial Position

Result	Budget Estimate	Revised Estimate	Estimated	Estimated	Estimated
2001-02	2002-03	2002-03	2003-04	2004-05	2005-06
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
259,077	239,706	260,396	214,229	118,862	158,494
363,690	396,261	364,506	367,379	367,379	367,379
13,972	10,307	13,972	13,972	13,972	13,972
636,739	646,274	638,874	595,580	500,213	539,845
Non-financial assets					
1,183,622	1,024,804	1,067,960	1,059,188	990,856	1,042,524
823	6,910	823	823	823	823
1,184,445	1,031,714	1,068,783	1,060,011	991,679	1,043,347
1,821,184	1,677,988	1,707,657	1,655,591	1,491,892	1,583,192
LIABILITIES					
100,000	200,000	200,000	200,000	165,000	165,000
100,000	200,000	200,000	200,000	165,000	165,000
Provisions and payables					
4,307	3,000	4,307	4,307	4,307	4,307
6,059	8,783	8,783	6,566	12,567	12,567
144,555	127,302	145,329	150,980	144,980	144,980
154,921	139,085	158,419	161,853	161,854	161,854
254,921	339,085	358,419	361,853	326,854	326,854
1,566,263	1,338,903	1,349,238	1,293,738	1,165,038	1,256,338
EQUITY					
335,783	48,724	44,558	(83,942)	(284,642)	(265,342)
980,908	1,029,929	1,055,108	1,128,108	1,200,108	1,272,108
249,572	260,250	249,572	249,572	249,572	249,572
1,566,263	1,338,903	1,349,238	1,293,738	1,165,038	1,256,338

Table 3: Cash Flow Statement

Result	Budget Estimate	Revised Estimate	Estimated	Estimated	Estimated
2001-02	2002-03	2002-03	2003-04	2004-05	2005-06
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
370,557	410,757	410,757	438,849	405,849	405,849
Other receipts					
<u>370,557</u>	<u>410,757</u>	<u>410,757</u>	<u>438,849</u>	<u>405,849</u>	<u>405,849</u>
Total cash received					
Cash used					
281,178	256,363	256,363	303,942	301,542	306,842
Total cash used for operating activities					
<u>281,178</u>	<u>256,363</u>	<u>256,363</u>	<u>303,442</u>	<u>301,542</u>	<u>306,842</u>
Total Cash Used					
Net cash from operating activities					
89,379	154,394	154,394	134,907	104,307	99,007
INVESTING ACTIVITIES					
Cash received					
340,140	484,761	484,761	433,376	348,476	228,475
Proceeds from sales of property plant and equipment and intangibles					
<u>340,140</u>	<u>484,761</u>	<u>484,761</u>	<u>433,376</u>	<u>348,476</u>	<u>228,475</u>
Total cash received					
Cash used					
129,207	315,011	315,011	409,550	237,750	237,750
Purchase of property plant and equipment and intangibles					
<u>129,207</u>	<u>315,011</u>	<u>315,011</u>	<u>409,550</u>	<u>237,750</u>	<u>237,750</u>
Total cash used					
Net cash from investing activities					
210,933	169,750	169,750	23,826	110,726	(9,275)
FINANCING ACTIVITIES					
Cash received					
100,000	100,000	100,000	-	-	-
Cash received from borrowings					
<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash received					
Cash used					
254,637	211,700	373,500	182,000	252,300	29,200
Cash used for dividends					
-	-	-	-	35,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	48,600	48,600	22,900	23,100	20,900
Cash used for other financing activities					
<u>254,637</u>	<u>260,300</u>	<u>422,100</u>	<u>204,900</u>	<u>310,400</u>	<u>50,100</u>
Total cash used					
Net cash from (to) financing activities					
(154,637)	(160,300)	(322,100)	(204,900)	(310,400)	(50,100)
Net Increase (Decrease) in cash held					
145,675	163,844	2,044	(46,167)	(95,367)	39,632
Cash at 1 July					
<u>112,677</u>	<u>75,862</u>	<u>258,352</u>	<u>260,396</u>	<u>214,229</u>	<u>118,862</u>
Cash at 30 June					
<u>258,352</u>	<u>239,706</u>	<u>260,396</u>	<u>214,229</u>	<u>118,862</u>	<u>158,494</u>

Table 4: Capital Budget

Result	Purchase of Non-Current Assets	Budget Estimate	Revised Estimate	Estimated	Estimated	Estimated
2001-02		2002-03	2002-03	2003-04	2004-05	2005-06
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
Capital payments budget						
129,207	Purchase of property plant and equipment	315,011	315,011	409,550	237,750	237,750
129,207	Total	315,011	315,011	409,550	237,750	237,750
Capital Appropriations						
100,000	Total Loans – Department only	225,000	225,000	-	-	-
100,000	Total	225,000	225,000	-	-	-

Table 5: Non-Financial Assets – Summary of Movement

Budget Year 2002-03	Land	Building	Total Land and Building	Other Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Gross Value					
Gross Value as at 1 July 2002	602,320	569,655	1,171,975	17,892	1,189,867
Additions	89,924	223,587	313,511	1,500	315,011
Assets reclassification	(4,000)	(5,371)	(9,371)	-	(9,371)
Revaluations	18,068	56,132	74,200	-	74,200
Disposals	(238,828)	(248,743)	(487,571)	-	(487,571)
Gross value 30 June 2003	467,484	595,260	1,062,744	19,392	1,082,136
Accumulated Depreciation as at 1 July 2002	-	-	-	6,245	6,245
Charge for the reporting period	-	13,088	13,088	1,500	14,588
Disposals	-	(6,657)	(6,657)	-	(6,657)
Accumulated Depreciation as at 30 June 2003	-	6,431	6,431	7,745	14,176
Net Book Value as at 30 June 2003	467,484	588,829	1,056,313	11,647	1,067,960
Net book Value as at 1 July 2002	602,320	569,655	1,171,975	11,647	1,183,622