

APPENDIX B – QUARTERLY FINANCIAL REPORT FOR THE VICTORIAN GENERAL GOVERNMENT SECTOR

This appendix presents the financial results for the general government (GG) sector for the nine months ending 31 March 2009, prepared consistent with the requirements of the *Financial Management Act 1994*. Comparisons are made to the revised 2008-09 full year estimates, as presented in Appendix C, *Revised 2008-09 Budget Outcome*.

The net result from transactions was a surplus of \$528 million for the nine month period, despite the recent difficult economic and financial market conditions.

Total revenue was \$28 497 million for the nine months to 31 March 2009, representing 72.8 per cent of the full year revised budget estimate of \$39 152 million. This mainly reflects lower than pro rata income from grants received from the Commonwealth Government.

Taxation revenue was \$9 765 million (76.8 per cent of the revised estimate) for the nine month period. A key contribution for this higher than pro rata result was land tax revenue which is recognised in the March quarter, when assessment notices are issued.

Expenses from transactions as at 31 March 2009 totalled \$27 969 million, which represents 71.7 per cent of the full year revised budget estimate of \$38 989 million. This result, in line with historical trends, reflects the normal seasonal pattern of service delivery, where expenses are weighted towards the last quarter of the financial year.

Comprehensive operating statement for the period ended 31 March

(\$ million)

2007-08 Actual to Mar		Notes	2008-09 Actual to Mar	Revised Budget
	Revenue			
9 894.9	Taxation revenue	2	9 765.3	12 720.0
305.3	Interest		306.3	408.2
573.4	Dividends and income tax equivalent and rate equivalent revenue	3	362.0	474.2
3 302.4	Sales of goods and services	4	3 484.7	5 076.6
12 544.8	Grants	5	13 383.1	18 789.4
1 034.9	Other current revenue	6	1 195.8	1 683.8
27 655.8	Total revenue		28 497.3	39 152.1
	Expenses			
9 907.7	Employee expenses		10 620.0	14 366.6
259.0	Superannuation interest expense	7	457.7	609.7
977.8	Other superannuation	7	1 019.3	1 394.6
1 007.4	Depreciation and amortisation	8	1 102.3	1 557.4
319.4	Interest expense		397.2	566.7
8 182.8	Other operating expenses		9 226.0	13 251.1
5 005.0	Grants and other transfers		5 146.4	7 243.0
25 659.1	Total expenses	9	27 968.9	38 989.1
1 996.6	Net result from transactions – Net operating balance		528.4	163.0
	Other economic flows included in net result			
(2.3)	Net gain/ (loss) on sale of non-financial assets		13.3	11.7
(10.4)	Net gain/ (loss) on financial assets or liabilities at fair value		(55.5)	(26.1)
(2 782.7)	Net actuarial gains/ (losses) of superannuation defined benefits plans		(11 375.5)	(11 316.7)
4.9	Share of net profit/(loss) from associates/ joint venture entities, excluding dividends		(0.1)	..
(100.6)	Other gains/ (losses) from other economic flows	10	(525.3)	(1 021.7)
(2 891.2)	Total other economic flows included in net result		(11 943.1)	(12 352.7)
(894.6)	Net result		(11 414.7)	(12 189.7)
	Other economic flows – Other movements in equity			
(5.7)	Net gain on financial assets at fair value		(3.9)	..
320.4	Revaluations of non-financial assets		(121.9)	503.2
203.2	Net gain on equity investments in other sector entities at proportional share of net assets		(5 420.1)	(3 979.9)
56.2	Transfers to accumulated funds/other movements in equity		105.8	(19.0)
574.0	Total other economic flows – Other movements in equity		(5 440.1)	(3 495.7)
(320.6)	Comprehensive result – Total change in net worth		(16 854.8)	(15 685.4)

Comprehensive operating statement for the period ended 31 March (continued)

(\$ million)

<i>2007-08</i>		<i>Notes</i>	<i>2008-09</i>	
<i>Actual to Mar</i>			<i>Actual to Mar</i>	<i>Revised Budget</i>
FISCAL AGGREGATES				
1 996.6	Net operating balance		528.4	163.0
598.2	Less: Net acquisition of non-financial assets from transactions		651.2	1 666.7
1 398.4	Net lending/ (borrowing)		(122.8)	(1 503.7)

Balance Sheet as at 31 March

(\$ million)

2007-08 Actual 31 Mar	Notes	Opening 1 Jul	2008-09	
			Actual 31 Mar	Revised Budget ^(a)
Assets				
Financial assets				
2 817.9	16(a)	2 975.0	2 080.6	3 005.8
76.2		78.0	44.0	635.9
2 559.0		2 322.0	2 518.3	2 477.3
3 097.4	11	2 620.2	3 224.2	2 657.7
..		648.1	649.3	..
639.3		20.0	24.8	27.9
41 979.4		44 857.1	40 391.5	42 186.9
51 169.2		53 520.5	48 932.6	50 991.6
Non-financial assets				
142.3		221.1	208.9	233.9
47.3		70.8	59.5	37.6
59 893.7	13	65 224.2	66 295.4	67 826.5
603.6	14	482.2	597.6	524.2
60 686.9		65 998.2	67 161.3	68 622.2
111 856.0		119 518.7	116 094.0	119 613.7
Liabilities				
677.9		371.5	312.0	386.5
3.3		2.6	2.6	1.9
6 370.7		7 799.1	9 344.8	10 965.1
3 286.5		3 354.4	3 600.4	4 032.5
12 982.2		12 926.8	24 463.0	24 439.4
3 682.8	15	3 973.3	4 033.2	4 357.4
715.9		665.4	765.3	670.6
27 719.2		29 092.9	42 521.3	44 853.4
84 136.8		90 425.7	73 572.6	74 760.3
38 090.0		37 746.2	26 447.1	25 528.4
46 046.8		52 647.5	47 091.7	49 179.9
..		32.0	33.8	52.0
84 136.8		90 425.7	73 572.6	74 760.3
FISCAL AGGREGATES				
23 450.0		24 427.5	6 411.3	6 138.1
18 529.5		20 429.6	33 980.2	36 048.8
1 598.8		2 150.0	4 367.2	5 234.5

The accompanying notes form part of these Financial Statements.

Note:

(a) 2008-09 Budget above and its accompanying notes are based on actual opening balances at 1 July 2008 plus 2008-09 Budgeted movement.

Statement of changes in equity for the period ended 31 March

(\$ million)

	Equity at 1 July	Total compre- hensive result	Transactions with owners in their capacity as owners	Equity at 31 March
2008-09				
Accumulated surplus/(deficit)	37 746.2	(11 414.7)	..	26 331.5
Other movements in equity	..	115.7	..	115.7
Minority interest	32.0	..	1.8	33.8
Physical asset revaluation reserve	28 459.7	(121.9)	..	28 337.8
Net movements in other reserves	780.7	(13.7)	..	767.0
Accumulated net gain/(loss) on equity investments in other sector entities	23 407.1	(5 420.1)	..	17 987.0
Total equity at end of the period	90 425.7	(16 854.8)	1.8	73 572.6
2007-08				
Accumulated surplus/(deficit)	22 037.2	(894.6)	..	21 142.6
Other movements in equity	..	26.6	..	26.6
Minority interest
Physical asset revaluation reserve	23 655.2	320.4	..	23 975.6
Net movements in other reserves	697.1	23.8	..	720.9
Accumulated net gain on equity investments in other sector entities ^(a)	38 068.0	203.2	..	38 271.1
Total equity at end of the period	84 457.5	(320.6)	..	84 136.9

The accompanying notes form part of these Financial Statements.

Note:

(a) *Adjustment to amount published in 2008-09 mid year financial report required to reflect net gain on equity investments in other sector entities.*

Statement of cash flows for the period ended 31 March

(\$ million)

2007-08 Actual to Mar	Notes	2008-09	
		Actual to Mar	Revised Budget
Cash flows from operating activities			
Receipts			
9 683.5	Taxes received	9 018.3	12 855.6
12 540.7	Grants	13 409.0	18 789.4
3 928.6	Sales of goods and services ^(a)	3 815.7	5 547.7
300.4	Interest received	311.4	392.5
1 058.9	Dividends and income tax equivalent and rate equivalent receipts	404.3	471.5
666.1	Other receipts	1 049.9	1 287.5
28 178.2	Total receipts	28 008.7	39 344.2
Payments			
(9 845.8)	Payments for employees	(10 728.0)	(14 207.4)
(1 175.1)	Superannuation	(1 316.3)	(1 808.4)
(305.2)	Interest paid	(381.1)	(525.9)
(4 843.0)	Grants and subsidies	(5 204.0)	(7 182.3)
(8 696.2)	Goods and services ^(a)	(9 452.5)	(13 324.7)
(4.4)	Other payments	(312.2)	(362.7)
(24 869.6)	Total payments	(27 394.1)	(37 411.4)
3 308.6	Net cash flows from operating activities ^(b)	614.6	1 932.8
Cash flows from investing activities			
(1 940.8)	Purchases of non-financial assets	(1 917.1)	(3 248.1)
120.0	Sales of non-financial assets	110.5	190.5
(1 820.8)	Cash flows from investments in non-financial assets	(1 806.6)	(3 057.6)
(631.8)	Net cash flows from investments in financial assets for policy purposes	(924.3)	(1 295.0)
(512.1)	Net cash flows from investments in financial assets for liquidity management purposes	(255.7)	(181.4)
(2 964.6)	Net cash flows from investing activities	(2 986.6)	(4 534.0)
Cash flows from financing activities			
(0.7)	Advances received (net)	..	(0.7)
(627.0)	Net borrowings	1 199.4	2 730.8
82.7	Deposits received (net)	(59.5)	15.0
(545.0)	Net cash flows from financing activities	1 139.9	2 745.1
(201.1)	Net increase/(decrease) in cash and cash equivalents	(1 232.1)	143.9
3 014.6	Cash and cash equivalents at beginning of reporting period	2 859.3	2 859.3
2 813.6	Cash and cash equivalents at end of reporting period	1 627.2	3 003.2

Statement of cash flows for the period ended 31 March

(\$ million)

2007-08 Actual to Mar	Notes	2008-09	
		Actual to Mar	Revised Budget
FISCAL AGGREGATES			
3 308.6	Net cash flows from operating activities	614.6	1 932.8
(1 820.8)	Net cash flows from investments in non-financial assets	(1 806.6)	(3 057.6)
1 487.8	Cash surplus/(deficit)	(1 192.1)	(1 124.9)

The accompanying notes form part of these Financial Statements.

Notes:

- (a) Inclusive of goods and services tax.
- (b) Adoption of AASB 1049 has resulted in classification changes to the previously published figures for March 2007-08.

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Note 1: Statement of significant accounting policies

The following summarises the significant accounting policies that have been adopted in preparing and presenting this Quarterly Financial Report.

(R) Compliance framework

This report is a special purpose consolidated interim financial report of the general government sector for the quarter ending 31 March 2009 as required by Section 26 of the *Financial Management Act 1994*.

The Quarterly Financial Report has been prepared in accordance with the *Financial Management Act 1994*, relevant Australian Accounting Standards (AAS) issued by the Australian Accounting Standards Board (AASB), including those paragraphs applicable to not-for-profit entities, and AASB Interpretations and other authoritative pronouncements.

This unaudited special purpose financial report should be read in conjunction with the *2007-08 Financial Report for the State of Victoria* and *2008-09 Mid-Year Financial Report*. It only includes explanatory notes that provide relevant information on a quarterly reporting basis.

(S) Basis of accounting and measurement

The accrual basis of accounting has been employed in the preparation of this financial report whereby assets, liabilities, equity, revenues and expenses are recognised in the reporting period to which they relate, regardless of when cash will be received or paid.

(T) General government sector reporting entity

The GG sector includes all government departments, offices and other government bodies engaged in providing services free of charge or at prices significantly below their cost of production. The services provided by these entities are financed mainly through taxes, other compulsory levies and user charges. The GG sector is not a separate entity but represents a sector within the State of Victoria reporting entity.

(U) Basis of consolidation

The Quarterly Financial Report includes all reporting entities in the general government sector that are controlled by the State. Details of entities consolidated for the general government sector are included in Note 27 of Chapter 1. In the process of reporting the general government sector as a single economic entity, all material transactions and balances within the sector are eliminated.

Note 2: Taxation

(\$ million)

2007-08 Actual to Mar		2008-09 Actual to Mar Revised Budget	
2 879.5	Taxes on employers' payroll and labour force	3 010.7	4 023.5
	Taxes on property		
	Taxes on immovable property		
861.0	Land tax	1 185.5	1 236.8
(1.1)	Congestion levy	42.7	42.1
84.3	Metropolitan improvement levy	93.5	106.0
32.7	Property owner contributions to fire brigades	32.2	41.3
976.9	Total taxes on immovable property	1 353.9	1 426.2
	Financial and capital transactions		
2 836.4	Land transfer duty	2 140.9	2 894.6
6.0	Other property duties	5.9	8.6
15.1	Financial accommodation levy	12.3	26.6
2 857.6	Total financial and capital transactions	2 159.1	2 929.9
3 834.5	Total taxes on property	3 513.0	4 356.0
	Taxes on the provision of goods and services		
	Gambling taxes		
246.7	Private lotteries	248.4	343.3
753.7	Electronic gaming machines	760.3	1 000.7
88.6	Casino	97.5	142.5
94.4	Racing	99.2	130.4
4.6	Other	5.3	8.4
1 188.0	Total gambling taxes	1 210.6	1 625.3
44.3	Levies on statutory corporations	50.8	73.7
878.0	Taxes on insurance	936.9	1 221.0
2 110.3	Total taxes on the provision of goods and services	2 198.4	2 920.0
	Taxes on the use of goods and performance of activities		
	Motor vehicle taxes		
582.4	Vehicle registration fees	613.2	822.0
425.4	Duty on vehicle registrations and transfers	383.3	498.0
1 007.8	Total motor vehicle taxes	996.5	1 320.0
7.6	Franchise taxes	11.7	11.7
55.1	Other	35.1	88.8
1 070.5	Total taxes on the use of goods and performance of activities	1 043.3	1 420.5
9 894.9	Total taxation	9 765.3	12 720.0

Note 3: Dividends and income tax equivalent and rate equivalent revenue

(\$ million)

<i>2007-08</i>		<i>2008-09</i>	
<i>Actual to Mar</i>		<i>Actual to Mar</i>	<i>Revised Budget</i>
357.3	Dividends	293.4	361.2
212.0	Income tax equivalent revenue	64.1	107.9
4.1	Local government rate equivalent revenue	4.5	5.1
573.4	Total dividends and income tax equivalent and rate equivalent revenue	362.0	474.2

Note 4: Sales of goods and services

(\$ million)

<i>2007-08</i>		<i>2008-09</i>	
<i>Actual to Mar</i>		<i>Actual to Mar</i>	<i>Revised Budget</i>
70.6	Motor vehicle regulatory fees	73.6	107.8
209.1	Other regulatory fees	220.9	298.8
24.0	Sale of goods	26.8	1.9
2 268.8	Provision of services	2 382.4	3 327.3
31.6	Rental	33.6	43.3
28.0	Refunds and reimbursements	28.1	318.7
670.3	Inter-sector capital asset charge	719.3	978.8
3 302.4	Total sales of goods and services	3 484.7	5 076.6

Note 5: Grants

(\$ million)

2007-08 Actual to Mar		2008-09	
		Actual to Mar	Revised Budget
	Current grants		
	Current grants from the Commonwealth		
6 920.4	General purpose grants	7 247.3	9 347.9
1 420.4	Payments to specific purposes	1 600.9	1 978.3
3 457.5	Other specific purpose grants	3 929.4	6 230.4
11 798.3	Total	12 777.6	17 556.6
7.1	Other contributions and grants	12.5	144.2
11 805.4	Total current grants	12 790.1	17 700.8
	Capital grants		
	Capital grants from the Commonwealth		
146.5	Payments to specific purposes	155.0	231.4
535.6	Other specific purpose grants	367.0	718.9
682.1	Total	522.0	950.4
57.3	Other contributions and grants	71.1	138.2
739.4	Total capital grants	593.1	1 088.6
12 544.8	Total grants	13 383.1	18 789.4

Note 6: Other current revenue

(\$ million)

2007-08 Actual to Mar		2008-09	
		Actual to Mar	Revised Budget
..	Fair value of assets received free of charge or for nominal consideration	42.4	214.8
316.0	Fines	354.7	470.7
30.9	Royalties	37.6	48.7
154.3	Donations and gifts	169.9	210.5
16.9	Other non-property rental	17.3	15.3
516.9	Other miscellaneous income	573.9	723.8
1 034.9	Total other current revenue	1 195.8	1 683.8

Note 7: Superannuation

(\$ million)

2007-08		2008-09	
Actual to Mar		Actual to Mar	Revised Budget
Defined benefit plans			
1 344.3	Interest cost ^(a)	1 402.0	1 867.6
(1 085.3)	Expected return on plan assets (net of expenses) ^(a)	(944.3)	(1 257.9)
259.0	Superannuation interest expense	457.7	609.7
482.9	Current service cost ^(a)	648.8	579.4
(10.9)	Amortisation of past service cost ^(a)	(10.9)	(14.5)
2 782.7	Actuarial (gains)/losses(b)	11 375.5	11 316.7
3 513.7	Total expense recognised in respect of defined benefit plans	12 471.1	12 491.3
Defined contribution plans			
473.3	Employer contributions to defined contribution plans ^(a)	339.8	781.9
32.5	Other (including pensions) ^(a)	41.6	47.9
505.8	Total expense recognised in respect of defined contribution plans	381.4	829.7
4 019.5	Total superannuation expense	12 852.5	13 321.0

Notes:

(a) Superannuation expense from transactions.

(b) Superannuation expense from other economic flows.

Note 8: Depreciation and amortisation

(\$ million)

2007-08		2008-09	
Actual to Mar		Actual to Mar	Revised Budget
301.1	Buildings	359.2	475.2
346.8	Plant, equipment and infrastructure systems	337.9	540.7
250.5	Road networks	290.3	395.0
7.1	Other assets	8.4	11.5
26.9	Leased plant and equipment	27.8	44.6
38.5	Leasehold buildings	44.7	57.0
36.7	Intangible produced assets ^(a)	34.0	33.4
1 007.4	Total depreciation	1 102.3	1 557.4

Note:

(a) Amortisation of intangible non-produced assets is included under other economic flows.

Note 9: Total expenses from transactions by department

(\$ million)

<i>2007-08</i>		<i>2008-09</i>	
<i>Actual to Mar</i>		<i>Actual to Mar</i>	<i>Revised Budget</i>
Expenses from transactions			
6 404.7	Education and Early Childhood Development	7 074.5	9 665.4
9 580.3	Human Services	10 483.8	14 215.5
1 507.9	Innovation, Industry and Regional Development	1 679.7	2 368.8
2 356.9	Justice	2 557.6	3 748.1
665.0	Planning and Community Development	831.6	1 030.2
387.2	Premier and Cabinet	472.3	681.0
441.4	Primary Industries	371.3	541.1
902.4	Sustainability and Environment	1 042.5	1 931.5
3 051.1	Transport	3 252.1	4 454.1
1 307.8	Treasury and Finance	1 693.4	2 521.9
86.0	Parliament	91.8	148.0
1 150.1	Regulatory bodies and other part-funded agencies	1 185.9	1 747.2
..	Contingencies not allocated to departments	..	(288.0)
(2 181.7)	Less eliminations	(2 767.7)	(3 775.9)
25 659.1	Total expense from transactions	27 968.9	38 989.1

Note 10: Other gains/(losses) from other economic flows

(\$ million)

<i>2007-08</i>		<i>2008-09</i>	
<i>Actual to Mar</i>		<i>Actual to Mar</i>	<i>Revised Budget</i>
..	Net gain/(loss) from revaluation of biological assets	(0.3)	8.4
(79.7)	Net decrease in provision for doubtful receivables	(103.7)	27.7
(1.6)	Amortisation of intangible non-produced assets	(2.6)	(5.0)
(19.2)	Other gains/(losses)	(418.6)	(1 052.7)
(100.6)	Total other gains/(losses) from other economic flows	(525.3)	(1 021.7)

Note 11: Receivables

(\$ million)

2007-08 Actual 31 Mar		Opening 1 Jul	2008-09 Actual 31 Mar	Revised Budget
	Contractual			
687.2	Sales of goods and services	731.5	753.9	747.4
164.1	Accrued investment income	82.3	34.7	84.6
334.6	Other receivables	324.6	255.1	414.4
(375.6)	Provision for doubtful contractual receivables	(252.9)	(326.5)	(224.2)
	Statutory			
1 396.7	Tax receivables	824.5	1 571.5	688.9
731.3	Fines and regulatory fees	641.3	742.9	679.8
159.1	GST input tax credits recoverable	268.9	192.5	266.8
3 097.4	Total receivables	2 620.2	3 224.2	2 657.7

Note 12: Net acquisition of non-financial assets

(\$ million)

2007-08 Actual to Mar		2008-09 Actual to Mar	Revised Budget
1 940.8	Purchases of non-financial assets	1 917.1	3 248.1
(120.0)	Less: Sales of non-financial assets	(110.5)	(190.5)
(1 007.4)	Less: Depreciation	(1 102.3)	(1 557.4)
17.1	Plus: Change in inventories	(12.2)	12.8
(232.2)	Plus: Other movements in non-financial assets	(40.9)	153.6
598.2	Total net acquisition of non-financial assets	651.2	1 666.7

Note 13: Property, plant and equipment

(a) Total land, buildings, infrastructure, plant and equipment

(\$ million)

2007-08 Actual 31 Mar		Opening 1 Jul	2008-09 Actual 31 Mar	Revised Budget
15 598.5	Buildings (written down value)	16 259.9	16 469.2	17 383.3
19 504.1	Land and national parks	20 413.7	20 818.9	20 546.9
265.0	Infrastructure systems (written down value)	359.1	450.8	1 038.4
1 894.3	Plant, equipment and vehicles (written down value)	2 131.5	2 097.3	2 152.2
14 543.1	Roads (written down value)	16 508.7	16 851.9	17 146.5
4 575.7	Earthworks	5 245.8	5 262.7	5 245.3
3 513.1	Cultural assets (written down value)	4 305.5	4 344.6	4 313.9
59 893.7	Total land, buildings, infrastructure, plant and equipment	65 224.2	66 295.4	67 826.5

(b) Land and buildings

(\$ million)

2007-08 Actual 31 Mar		Opening 1 Jul	2008-09 Actual 31 Mar	Revised Budget
17 415.0	Buildings	17 758.8	18 312.2	19 414.1
(1 816.5)	Accumulated depreciation	(1 498.8)	(1 843.0)	(2 030.8)
15 598.5	Buildings (written down value)	16 259.9	16 469.2	17 383.3
17 216.7	Land	18 273.5	18 678.7	18 406.4
2 287.4	National Parks and other 'land only' holdings	2 140.2	2 140.2	2 140.5
19 504.1	Land and national parks	20 413.7	20 818.9	20 546.9
35 102.6	Total land and buildings	36 673.6	37 288.1	37 930.3

(c) Plant, equipment and vehicles, and infrastructure systems

(\$ million)

2007-08 Actual 31 Mar		Opening 1 Jul	2008-09 Actual 31 Mar	Revised Budget
291.0	Infrastructure systems	379.0	479.6	1 085.3
(26.0)	Accumulated depreciation	(19.9)	(28.8)	(46.9)
265.0	Infrastructure systems (written down value)	359.1	450.8	1 038.4
4 346.4	Plant, equipment and vehicles	4 474.3	4 609.2	4 823.5
(2 590.6)	Accumulated depreciation	(2 484.4)	(2 634.2)	(2 775.8)
178.4	Leased plant, equipment and vehicles	188.5	196.8	188.5
(40.0)	Accumulated depreciation	(47.0)	(74.4)	(84.0)
1 894.3	Plant, equipment and vehicles (written down value)	2 131.5	2 097.3	2 152.2
2 159.3	Total plant, equipment and vehicles, and infrastructure systems	2 490.6	2 548.2	3 190.6

(d) Road networks and earthworks

(\$ million)

2007-08		Opening 1 Jul	2008-09	
Actual 31 Mar	Actual 31 Mar		Revised Budget	
17 053.3	Roads	19 521.0	20 141.0	20 260.1
(6 496.5)	Accumulated depreciation	(7 544.2)	(7 775.2)	(7 856.9)
6 049.2	Road infrastructure	6 964.1	6 977.6	7 254.2
(2 062.9)	Accumulated depreciation	(2 432.2)	(2 491.5)	(2 510.9)
14 543.1	Roads (written down value)	16 508.7	16 851.9	17 146.5
4 575.7	Earthworks	5 245.8	5 262.7	5 245.3
19 118.8	Total road networks and earthworks	21 754.5	22 114.5	22 391.7

(e) Cultural assets

(\$ million)

2007-08		Opening 1 Jul	2008-09	
Actual 31 Mar	Actual 31 Mar		Actual 31 Mar	Revised Budget
3 602.6	Cultural assets	4 398.6	4 446.4	4 419.0
(89.6)	Accumulated depreciation	(93.1)	(101.8)	(105.1)
3 513.1	Total cultural assets	4 305.5	4 344.6	4 313.9

Note 14: Other non-financial assets

(\$ million)

2007-08		2008-09		
Actual		Opening	Actual	Revised
31 Mar		1 Jul	31 Mar	Budget
411.8	Intangible produced assets	432.6	442.9	476.7
(189.4)	Accumulated depreciation	(212.0)	(205.7)	(245.3)
23.8	Intangible non-produced assets	34.0	29.7	58.9
(13.8)	Accumulated depreciation	(16.9)	(17.6)	(21.9)
232.4	Total intangibles	237.8	249.3	268.4
19.3	Investment properties	22.5	22.3	22.5
80.6	Biological assets ^(a)	34.4	34.1	42.8
271.4	Other assets	187.5	291.9	190.5
603.6	Total other non-financial assets	482.2	597.6	524.2

Note:

(a) The majority of biological assets comprises of commercial forests and also includes any living animal or plant or agricultural produce which is the harvested product of biological assets.

Note 15: Other employee benefits

(\$ million)

2007-08		2008-09		
Actual		Opening	Actual	Revised
31 Mar		1 Jul	31 Mar	Budget
Current				
1 116.9	Accrued salaries and wages ^(a)	1 339.9	1 110.8	1 376.4
2 262.8	Long service leave	2 275.9	2 421.9	2 540.1
3 379.7	Total current employee benefits	3 615.8	3 532.7	3 916.5
Non-current				
303.1	Long service leave	357.4	500.5	440.9
303.1	Total non-current employee benefits	357.4	500.5	440.9
3 682.8	Total employee benefits	3 973.3	4 033.2	4 357.4

Note:

(a) Includes accrued annual leave, payroll tax and other similar on-costs.

Note 16: Cash flow information

(a) Reconciliation of cash and cash equivalents

(\$ million)		
2007-08 Actual to Mar		2008-09 Actual to Mar
954.9	Cash	1 164.4
1 863.0	Deposits at call	916.2
2 817.9	Cash and cash equivalents	2 080.6
(4.3)	Bank overdraft	(453.4)
2 813.6	Balances as per cash flow statement	1 627.2

(b) Reconciliation of net result to net cash flows from operating activities

(\$ million)		
2007-08 Actual to Mar		2008-09 Actual to Mar
(894.6)	Net result	(11 414.7)
	Non-cash movements	
1 009.1	Depreciation	1 104.9
8.9	Revaluation of investments	20.3
232.3	Assets (received)/provided free of charge	41.2
(0.6)	Assets not previously recognised	(467.2)
13.6	Revaluation of assets	68.8
5.6	Discount/premium on other financial assets/borrowings	8.3
..	Bad/doubtful debts	..
..	Foreign currency dealings	..
..	Unrealised gains/losses on borrowings	..
..	Discounting of assets and liabilities	..
	Movements included in investing and financing activities	
(3.3)	Net revenues from sale of investments	35.4
2.2	Net revenues from sale of plant & equipment	(13.4)
..	Realised gains/losses on borrowings	..
	Movements in assets and liabilities	
51.1	Increase/(Decrease) in provision for doubtful debts	73.6
63.9	Increase/(Decrease) in payables	251.0
61.9	Increase/(Decrease) in employee benefits	60.0
2 844.5	Increase/(Decrease) in superannuation	11 536.2
(42.1)	Increase/(Decrease) in other provisions	99.7
..	Increase/(Decrease) in other liabilities	..
23.8	(Increase)/Decrease in receivables	(678.9)
(67.8)	(Increase)/Decrease in other non-financial assets	(110.5)
3 308.6	Net cash flows from operating activities	614.6

Note 17: Public account

(a) Consolidated Fund receipts and payments

		(\$ million)	
2007-08 Actual to Mar		2008-09 Actual to Mar	Revised Budget
	Receipts		
9 526.8	Taxation	8 891.4	13 380.4
304.6	Fines and regulatory fees	345.1	600.0
10 482.3	Grants received	11 155.6	14 777.8
593.2	Sales of goods and services	535.2	733.3
13.9	Interest received	5.7	40.0
1 057.5	Public authority receipts	434.5	702.3
2 195.0	Other receipts	2 354.0	3 296.1
24 173.4	Total operating activities	23 721.5	33 529.8
34.4	Total inflows from investing and financing	2 438.6	70.9
24 207.8	Total receipts	26 160.1	33 600.8
	Payments to departments		
4 867.2	Education and Early Childhood Development	5 467.6	7 666.7
9 105.5	Human Services	9 427.9	12 718.9
3 568.7	Transport	4 069.1	5 501.8
1 047.1	Innovation, Industry and Regional Development	1 176.0	1 614.3
2 367.8	Justice	2 568.8	3 600.0
369.4	Premier and Cabinet	352.9	557.5
440.4	Primary Industries	350.6	502.5
981.3	Sustainability and Environment	1 208.2	1 919.0
1 168.7	Treasury and Finance	1 551.2	2 213.0
363.2	Planning and Community Development	449.4	668.7
87.4	Parliament	93.9	149.1
24 366.7	Total payments	26 715.6	37 111.4
(158.9)	Net receipts/(payments)	(555.5)	(3 510.7)

Note 17: Public Account (continued)

(b) Trust Fund cash flow statement

(\$ million)

2007-08 Actual to Mar.		2008-09 Actual to Mar.	Revised Budget
Cash flows from operating activities			
Receipts			
155.9	Taxation	134.9	162.6
3.8	Regulatory fees and fines	39.2	49.4
2 133.5	Grants received	2 404.1	2 718.9
269.7	Sale of goods and services	237.9	282.0
114.3	Interest received	118.8	132.8
7 161.9	Other receipts ^(a)	7 957.2	10 026.0
9 839.0	Total receipts	10 892.1	13 371.6
Payments			
(83.4)	Employee entitlements	(80.6)	(90.7)
(4.9)	Superannuation	(5.4)	(5.8)
(7 632.6)	Grants paid	(8 376.0)	(10 363.7)
(1 803.1)	Supplies and consumables	(1 998.7)	(2 434.9)
(15.6)	Interest paid	(14.7)	(15.9)
..	Other payments
(9 539.6)	Total payments	(10 475.4)	(12 911.0)
299.4	Net cash flows from operating activities	416.7	460.6
Cash flows from investing activities			
(39.5)	Net proceeds from customer loans	0.2	..
39.8	Proceeds from sale of property, plant and equipment	36.5	34.0
(29.9)	Purchases of property, plant and equipment	(29.0)	(32.3)
(152.8)	Other investing activities	(124.8)	(110.4)
(182.5)	Net cash flows from investing activities	(117.1)	(108.7)
Cash flows from financing activities			
(960.0)	Net proceeds (repayments) from borrowings	(614.3)	(22.7)
(960.0)	Net cash flows from financing activities	(614.3)	(22.7)
(843.1)	Net cash inflow/(outflow)	(314.7)	329.2

Note:

- (a) Includes funds raised from the Victorian Bushfire Appeal after the 2009 February bushfires. The Victorian Government has collected appeal proceeds for the Red Cross Victorian Bushfire Appeal.

Note 17: Public Account (continued)

(c) Details of securities held

(\$ million)

2007-08 Actual to Mar		2008-09 Opening 1 July	Actual 31 Mar
957.0	Amounts invested on behalf of specific trust accounts	892.4	574.2
1.3	Amounts invested on behalf of general trust accounts	1.3	1.3
1 083.6	General account balances	1 593.4	364.4
2 041.9	Total Public Account	2 487.2	939.9
	Represented by:		
958.3	Stocks and securities	893.8	575.5
822.2	Cash and investments	953.9	22.2
1 780.5	Total stock, securities, cash and investments	1 847.6	597.7
	Add cash advanced for:		
261.4	Advances pursuant to sections 36 and 37 of the <i>Financial Management Act 1994</i>	541.4	342.2
..	Temporary Advance to the Consolidated Fund pursuant to Section 38 of the <i>Financial Management Act, No. 18 of 1994</i>	98.1	..
2 041.9	Total Public Account	2 487.2	939.9

RESULTS QUARTER BY QUARTER – VICTORIAN GENERAL GOVERNMENT SECTOR

The following tables present the operating statement, balance sheet and statement of cash flows for the general government sector on a quarter by quarter basis for the preceding five quarters.

These quarterly financial statements should be read in conjunction with Note 1 of this Appendix and the *Statement of significant accounting policies and forecast assumptions* (Note 1) in Budget Paper No. 4, Chapter 1, *Estimated Financial Statements and Notes*.

Table B.1: Comprehensive operating statement for the past five quarters

(\$ million)					
	2007-08			2008-09	
	Mar	Jun	Sept	Dec	Mar
Revenue					
Taxation revenue	3 837.7	2 968.0	2 948.1	2 945.4	3 871.8
Interest	98.2	146.3	103.9	113.2	89.2
Dividends and income tax equivalent and rate equivalent revenue	109.5	186.5	52.4	278.4	31.2
Sales of goods and services	1 090.7	1 185.9	1 121.9	1 196.7	1 166.1
Grants	4 226.6	4 665.3	4 216.8	4 517.5	4 648.7
Other current revenue	347.1	532.6	327.2	470.7	397.9
Total revenue	9 709.8	9 684.6	8 770.4	9 521.9	10 204.9
Expenses					
Employee expenses	3 395.9	3 331.7	3 395.8	3 592.4	3 631.8
Superannuation interest expense	85.5	71.3	130.7	176.6	150.3
Other superannuation	319.7	339.9	328.3	352.6	338.4
Depreciation	346.6	408.8	355.9	363.2	383.1
Interest expense	97.3	119.1	128.8	142.8	125.5
Other operating expenses	2 903.2	3 886.8	2 845.0	3 191.2	3 189.8
Grants and other transfers	1 737.2	2 041.9	1 490.2	1 752.6	1 903.6
Total expenses	8 885.4	10 199.5	8 674.6	9 571.6	9 722.7
Net result from transactions – Net operating balance	824.4	(514.9)	95.8	(49.6)	482.2
Other economic flows included in net result					
Net gain/(loss) on sale of non-financial assets	29.6	18.4	5.5	8.3	(0.4)
Net gain/(loss) on financial assets or liabilities at fair value	(8.9)	(24.4)	2.8	(44.9)	(13.4)
Net actuarial gains/(losses) of superannuation defined benefits plans	(2 287.6)	(595.4)	(3 877.3)	(9 131.0)	1 632.8
Share of net profit/(loss) from associates/ joint venture entities, excluding dividends	0.1	5.7	..	(1.4)	1.3
Other gains/(losses) from other economic flows	(17.4)	129.7	(37.4)	(734.5)	246.6
Total other economic flows included in net result	(2 284.1)	(466.0)	(3 906.4)	(9 903.6)	1 866.9
Net result	(1 459.8)	(980.9)	(3 810.6)	(9 953.3)	2 349.2
Other economic flows – Other movements in equity					
Net gain on financial assets at fair value	(4.5)	(28.9)	(1.7)	(8.4)	6.2
Revaluations of non-financial assets	(2.2)	4 484.1	(0.5)	(13.9)	(107.6)
Net gain on equity investments in other sector entities at proportional share of net assets	..	2 686.2	..	(5 002.0)	(418.1)
Other movements in equity	(14.9)	757.8	..	72.6	33.2
Total other economic flows – Other movements in equity	(21.6)	7 899.2	(2.2)	(4 951.7)	(486.2)
Comprehensive result – Total change in net worth	(1 481.4)	6 918.3	(3 812.8)	(14 905.0)	1 863.0

**Table B.1: Comprehensive operating statement for the past five quarters
(continued)**

	(\$ million)				
	2007-08			2008-09	
	Mar	Jun	Sept	Dec	Mar
FISCAL AGGREGATES					
Net operating balance	824.4	(514.9)	95.8	(49.6)	482.2
Less: Net acquisition of non-financial assets from transactions ^(a)	22.9	470.5	171.6	436.0	43.6
Net lending/(borrowing)	801.4	(985.4)	(75.8)	(485.6)	438.6

The accompanying notes form part of these Financial Statements.

Note:

(a) *Net acquisitions of non-financial assets has been adjusted since the last publication to include infrastructure assets given free of charge.*

Table B.2: Balance sheet as at the end of the quarter

	(\$ million)				
	2007-08			2008-09	
	Mar	Jun	Sept	Dec	Mar
Assets					
Financial assets					
Cash and deposits	2 817.9	2 975.0	2 382.1	2 032.6	2 080.6
Advances paid	76.2	78.0	78.4	45.2	44.0
Investments, loans and placements	2 559.0	2 322.0	2 423.8	2 491.4	2 518.3
Receivables	3 097.4	2 620.2	2 171.2	2 123.9	3 224.2
Investments in general government sector entities using the equity method	..	648.1	648.1	648.0	649.3
Investments accounted for using equity method – other	639.3	20.0	25.6	24.8	24.8
Investments in other sector entities	41 979.4	44 857.1	45 017.7	40 391.5	40 391.5
Total financial assets	51 169.2	53 520.5	52 746.8	47 757.4	48 932.6
Non-financial assets					
Inventories	142.3	221.1	218.1	216.4	208.9
Non-financial assets held for sale	47.3	70.8	66.2	58.6	59.5
Land, buildings, infrastructure, plant and equipment	59 893.7	65 224.2	65 392.4	65 912.8	66 295.4
Other non-financial assets	603.6	482.2	672.1	724.6	597.6
Total non-financial assets	60 686.9	65 998.2	66 348.8	66 912.4	67 161.3
Total assets	111 856.0	119 518.7	119 095.5	114 669.7	116 094.0
Liabilities					
Deposits held	677.9	371.5	382.1	324.9	312.0
Advances received	3.3	2.6	2.6	2.6	2.6
Borrowings	6 370.7	7 799.1	7 935.7	8 561.2	9 344.8
Payables	3 286.5	3 354.4	2 876.3	3 419.3	3 600.4
Superannuation	12 982.2	12 926.8	16 836.8	26 043.0	24 463.0
Other employee benefits	3 682.8	3 973.3	3 742.1	3 873.9	4 033.2
Other provisions	715.9	665.4	706.5	733.4	765.3
Total liabilities	27 719.2	29 092.9	32 482.1	42 958.3	42 521.3
Net assets	84 136.8	90 425.7	86 613.4	71 711.4	73 572.6
Accumulated surplus/(deficit)	38 090.0	37 746.2	33 935.6	24 075.2	26 447.1
Other reserves	46 046.8	52 647.5	52 645.8	47 600.7	47 091.7
Minority interest	..	32.0	32.0	35.5	33.8
Net worth	84 136.8	90 425.7	86 613.4	71 711.4	73 572.6
FISCAL AGGREGATES					
Net financial worth	23 450.0	24 427.5	20 264.7	4 799.1	6 411.3
Net financial liabilities	18 529.5	20 429.6	24 753.0	35 592.5	33 980.2
Net debt	1 598.8	2 150.0	2 788.1	3 671.5	4 367.2

The accompanying notes form part of these Financial Statements.

Table B.3: Statement of cash flows for the past five quarters

	(\$ million)				
	2007-08			2008-09	
	Mar	Jun	Sept	Dec	Mar
Cash flows from operating activities					
Receipts					
Taxes received	3 125.3	3 529.7	3 193.0	3 012.1	2 813.3
Grants	4 216.8	4 669.0	4 212.8	4 538.7	4 657.6
Sales of goods and services ^(a)	1 220.2	753.2	1 279.8	1 364.9	1 171.0
Interest received	100.8	140.6	102.3	120.7	88.4
Dividends and income tax equivalent and rate equivalent receipts	171.8	140.7	17.1	392.6	(5.3)
Other receipts	140.8	553.7	381.0	344.5	324.4
Total receipts	8 975.8	9 786.8	9 185.9	9 773.4	9 049.3
Payments					
Payments for employees	(3 382.1)	(3 041.3)	(3 626.9)	(3 535.6)	(3 565.5)
Superannuation	(384.8)	(824.0)	(426.3)	(454.1)	(436.0)
Interest paid	(91.6)	(140.0)	(114.5)	(143.7)	(122.9)
Grants and subsidies	(1 549.7)	(1 592.3)	(1 639.3)	(1 807.2)	(1 757.5)
Goods and services ^(a)	(2 756.8)	(3 036.3)	(3 227.6)	(3 297.9)	(2 927.0)
Other payments	(4.4)	(360.7)	(80.0)	(158.1)	(74.1)
Total payments	(8 169.4)	(8 994.5)	(9 114.7)	(9 396.6)	(8 882.8)
Net cash flows from operating activities	806.3	792.3	71.2	376.9	166.4
Cash flows from investing activities					
Purchases of non-financial assets	(592.0)	(827.5)	(568.4)	(856.7)	(492.0)
Sales of non-financial assets	61.5	57.0	35.5	50.3	24.7
Cash flows from investments in non-financial assets	(530.5)	(770.5)	(533.0)	(806.4)	(467.2)
Net cash flows from investments in financial assets for policy purposes	(196.8)	(735.6)	(173.8)	(362.2)	(388.2)
Net cash flows from investments in financial assets for liquidity management purposes	(29.7)	189.4	(100.6)	(122.4)	(32.7)
Net cash flows from investing activities	(757.0)	(1 316.7)	(807.4)	(1 291.0)	(888.2)
Cash flows from financing activities					
Advances received (net)	(0.2)	(0.4)
Net borrowings	59.0	876.7	(203.4)	750.2	652.6
Deposits received (net)	(27.6)	(306.1)	10.6	(57.3)	(12.8)
Net cash flows from financing activities	31.3	570.2	(192.7)	693.0	639.7
Net increase/(decrease) in cash and cash equivalents	80.6	45.8	(928.9)	(221.2)	(82.0)
Cash and cash equivalents at beginning of reporting period	2 733.0	2 813.6	2 859.3	1 930.4	1 709.2
Cash and cash equivalents at end of reporting period	2 813.6	2 859.3	1 930.4	1 709.2	1 627.2

Table B.3: Statement of cash flows for the past five quarters (continued)

(\$ million)

	2007-08		2008-09		
	Mar	Jun	Sept	Dec	Mar
FISCAL AGGREGATES					
Net cash flows from operating activities	806.3	792.3	71.2	376.9	166.4
Net cash flows from investments in non-financial assets	(530.5)	(770.5)	(533.0)	(806.4)	(467.2)
Cash surplus / (deficit)	275.8	21.8	(461.7)	(429.6)	(300.8)

The accompanying notes form part of these Financial Statements.

Note:

(a) *Inclusive of goods and services tax.*

