



Australian Capital Territory

Budget 2024–25

ACT Long Service Leave Authority
Statement of Intent

Structure and Content of the 2024-25 Budget Papers

The 2024-25 Budget is presented in two papers and a series of agency Budget Statements.

Budget Speech

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategy and key features of the Budget.

Budget Outlook

The Budget Outlook summarises the 2024-25 Budget and forward estimates for the General Government Sector, the Public Trading Enterprise sector and the total Territory Government. Details of the projected 2024-25 Budget results are provided, as well as background information on the development of the 2024-25 Budget, including economic conditions and federal financial relations. It also provides an overview of the Territory's infrastructure investment program and details of 2024-25 initiatives. Full accrual financial statements and notes are provided for all sectors.

Budget Statements

The Budget Statements contain information on each directorate and agency, including descriptions of functions and roles and responsibilities, together with major strategic priorities.

Acknowledgement



We wish to acknowledge the Ngunnawal people as traditional custodians of the land we are meeting on and recognise any other people or families with connection to the lands of the ACT and region. We wish to acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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Long Service Leave Authority

Statement of Intent

2024-25

LONG SERVICE LEAVE AUTHORITY

The Long Service Leave Authority is a Territory Authority established under the *Long Service Leave (Portable Schemes) Act 2009*.

This Statement of Intent for 2024-25 has been prepared in accordance with Section 61 of the *Financial Management Act 1996*.

The responsible Minister, Mr Mick Gentleman, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2024-25 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the Long Service Leave Authority's strategic and business planning processes.

The Long Service Leave Authority's 2024-25 Statement of Intent has been agreed between:



Anne O'Donnell
Chairperson on behalf of the Governing
Board



Andrew Barr MLA
Treasurer



Mick Gentleman MLA
Minister for Industrial Relations and
Workplace Safety

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Long Service Leave Authority

Purpose

The Long Service Leave Authority (ACT Leave) was established under the *Long Service Leave (Portable Schemes) Act 2009* (the Act) to administer portable long service leave benefit schemes for workers in the ACT engaged in Building and Construction, Contract Cleaning, Community Sector, and Security industries. On 29 March 2023, the ACT Legislative Assembly passed the *Long Service Leave (Portable Schemes) Amendment Act 2023*, which expands portable long service leave schemes in the ACT to additional industries. The new Services Industry Scheme, incorporating the existing Contract Cleaning Scheme, is due to commence on 1 April 2025, and will cover Contract Cleaning, Hairdressing and Beauty, and Accommodation and Food services.

The primary objectives of ACT Leave are to ensure that:

- eligible employers and their employees are registered with ACT Leave;
- long service leave payments to employees and contractors, and reimbursements to employers, are made in accordance with the Act;
- employers' contribution levies are collected efficiently and effectively; and
- long service leave funds are invested prudently, with the objective being to ensure a modest long-term surplus of assets over liabilities in matured schemes.

Nature and scope of activities

General activities

ACT Leave engages in the following activities to achieve its stated objectives:

- managing day-to-day operational activities, including collecting worker service credit information and levy contributions from employers, along with the processing and payment of long service leave claims, in an accurate and timely manner;
- investment of employer contributions to ensure there are sufficient funds to meet all long service leave payments;
- effectively managing investments in accordance with the approved Investment Plan;
- maintaining a compliance program to ensure eligible employers and employees are registered in the schemes;
- maintaining employer and worker registers; and
- monitoring the operation of the organisation's database to ensure data integrity.

Business Priorities in 2024-25

ACT Leave will pursue the following priorities in 2024-25:

- preparing for the implementation and ongoing administration of the new Service Industry Scheme;
- increasing community knowledge and understanding of the portable long service leave schemes, particularly in relation to employer obligations and worker entitlements;
- maintaining sound working relationships with relevant stakeholder groups;
- deploying a new administration system;
- continuing to trial and implement a range of flexible working arrangements that support our clients and stakeholders, meet the stated objectives and expected outcomes of ACT Leave and enhance the working lives of our staff; and
- focusing on data-driven decision making supported by ACT Leave's performance metrics.

Risks

Investment risk

- ACT Leave is required to prudently invest long service leave employer contributions to ensure that there are sufficient assets to meet long service leave liabilities. A key risk for ACT Leave is that funds are not invested appropriately. ACT Leave ensures that funds are invested in accordance with the Strategic Asset Allocation outlined in the organisation's Investment Plan, undertaking monthly rebalancing activities, comprehensive checks, and reviewing cash flow requirements regularly in light of market conditions.

Information technology risk

- ACT Leave is heavily dependent on its IT systems, and as such the appropriate and reliable functioning of IT systems, effective management of data integrity, and maintaining overall system security are critical to successful business continuity. IT risks are mitigated through regular activities such as penetration testing, system monitoring and daily backups. In addition, ACT Leave has an IT disaster recovery plan which targets a Recovery Time Objective of no more than 24 hours, which is tested annually. System control and other IT related audits are regularly undertaken as part of ACT Leave's internal audit program. ACT leave is undertaking a project to develop and deploy a new administration system which will enhance current Customer Relationship Management (CRM) capabilities and functionality, provide administration capability for the new Services Industry Scheme as well as strengthening system stability and security.

Contribution Levy payment risk

- An ongoing risk to ACT Leave is that eligible employers do not register, declare service for employees, or pay the required contribution levy. ACT Leave mitigates this risk by ensuring that it has a comprehensive Compliance and Education Strategy in place and compliance activities are undertaken in a thorough and systematic way. ACT Leave Compliance Team members monitor the activity of covered industries in the Territory and liaise with workers, employers, and their representative associations to ensure that eligible employers and employees are registered. ACT Leave also works cooperatively with other ACT Government organisations to promote awareness of portable long service leave arrangements and obligations with mutual client groups.

Key performance indicators for 2024-25 to 2027-28¹

Objective	Measure	Target 2024-25	Target 2025--26	Target 2026-27	Target 2027-28
Manage appropriate processes to identify and register eligible employers and their employees under relevant schemes.	Percentage of employer registrations in Construction, Community, Cleaning and Security schemes completed within 10 working days of receipt of a correctly completed and verified application form.	100%	100%	100%	100%
	Percentage of employer registrations in Services scheme completed within 10 working days of receipt of a correctly completed and verified application form*.	100%	100%	100%	100%
	Percentage of missing service claims completed within 10 working days of receipt of all the required information*.	100%	100%	100%	100%
	Number of potential Services scheme employers visited in person*.	300	300	N/A	N/A
Ensure that employers' contribution levies are collected efficiently and effectively.	Percentage of employer returns and payments in Construction, Community, Cleaning and Security schemes submitted by due date (five working days after the end of the month following the relevant quarter).	80%	80%	80%	80%
	Percentage of employer returns and payments in Services scheme submitted by due date (five working days after the end of the month following the relevant quarter)*.	N/A	80%	80%	80%

¹ This table includes new Key Performance Indicators (KPIs) for 2024-25 and future years and has removed some previous 2023-24 KPIs. New KPIs are marked with an Asterisk. Performance against previous KPIs is provided under Assessment of performance against 2023-24 objectives.

Objective	Measure	Target 2024-25	Target 2025--26	Target 2026-27	Target 2027-28
Ensure that long service leave payments to employees and contractors, and reimbursements to employers, are made in accordance with the Act.	Percentage of long service leave payments to employees and contractors in Construction, Community, Cleaning and Security schemes completed within 10 working days of receipt of a correctly completed and verified claim form.	98%	98%	98%	98%
	Percentage of long service leave payments to employees and contractors in Services scheme completed within 10 working days of receipt of a correctly completed and verified claim form*.	N/A	98%	98%	98%
	Percentage of reimbursements and refunds to employers in Construction, Community, Cleaning and Security schemes paid within 15 working days of receipt of a correctly completed and verified application form*.	98%	98%	98%	98%
	Percentage of reimbursements and refunds to employers in Services scheme paid within 15 working days of receipt of a correctly completed and verified application form*.	N/A	98%	98%	98%
Ensure that long service leave administered schemes' funds are invested to ensure a long-term surplus of assets over liabilities.	Annual net return for each administered scheme on funds under management in accordance with the Investment Plan.	2.5% above AWOTE ² averaged over five years for each scheme	2.5% above AWOTE averaged over five years for each scheme	2.5% above AWOTE averaged over five years for each scheme	2.5% above AWOTE averaged over five years for each scheme
	The ratio of total assets over total liabilities as at 30 June of the financial year for each administered scheme is maintained at least of the target.	110%	110%	110%	110%

² The measure of AWOTE used is Australian Average Weekly Ordinary Time Earnings published by the Australian Bureau of Statistics.

Assessment of performance against 2023-24 objectives

Objective	Measure	Planned 2023-24	Est. Outcome 2023-24	Explanation of variance
Manage appropriate processes to identify and register employers and their employees under relevant schemes.	Percentage of employer registrations completed within 10 working days of receipt of a correctly completed and verified application form.	100%	100%	N/A
	Number of employers identified for registration as a result of ACT Leave's compliance activities.	120	144	Estimated outcome is expected to exceed target as at 30 June 2024.
Ensure that employers' contribution levies are collected efficiently and effectively.	Percentage of employer returns and payments submitted by due date (five working days after the end of the month following the relevant quarter).	80%	82.30%	Estimated outcome is expected to exceed target as at 30 June 2024.
Ensure that payments to employees and, contractors are made in accordance with the Act.	Percentage of payments completed within 10 working days of receipt of a correctly completed and verified claim form.	98%	99.50%	Estimated outcome is expected to exceed target as at 30 June 2024.
Ensure that long service leave administered schemes' funds are invested to ensure a long-term surplus of assets over liabilities.	Annual net return for each administered scheme on funds under management in accordance with the Investment Plan.	2.5% above AWOTE averaged over five years for each scheme (equivalent to the target of 5.66%).	Construction: 7.94% Cleaning: 7.80% Community: 7.56% Security: 7.72%	Despite negative performances in 2019--20 and 2021-22, positive market returns in 2020-21 and 2022-23 have resulted in the annualised average return expected to be above AWOTE exceeding target.

Objective	Measure	Planned 2023-24	Est. Outcome 2023-24	Explanation of variance
Ensure each scheme has adequate assets to meet its liabilities.	The ratio of total assets over total liabilities as at 30 June of the financial year for each administered scheme is maintained at least of the target.	110%	Construction: 116% Cleaning: 171% Community: 109% Security: 110%	Construction and Cleaning schemes are expected to exceed the target as at 30 June 2024. Community scheme is expected to be slightly below the target due to an actuarial assessment of increased liabilities and is being closely monitored.

Employment profile

ACT Leave's staff are officers of the ACT Public Service, employed under the *Public Sector Management Act 1994*. The Registrar is also the Chief Executive Officer (CEO) of ACT Leave and a non-voting member of ACT Leave's Governing Board. The CEO is employed under a long-term executive contract. All other staff are covered under the ACT Public Service Administrative and Related Classifications Enterprise Agreement.

Organisation form

- The organisational structure of ACT Leave is provided at [Attachment 1](#).

Workplace Health and Safety (WH&S)

- ACT Leave ensures its operations and practices comply with the *Work Health and Safety Act 2011*. In addition to providing ongoing training and updates on the Act to staff, ACT Leave liaises with the Office of Industrial Relations & Workforce Strategy within CMTEDD for advice on any WH&S issues.
- Over the 2023-24 Budget year, ACT Leave will continue to implement appropriate and effective work health and safety policies, procedures and practices with the aim of providing ongoing staff education and injury prevention.

Consultants and contractors

- ACT Leave engages external consultants or contractors from time to time to meet specific operational needs. ACT Leave is bound by the provisions of the *Government Procurement Act 2001* and the *Government Procurement Regulations 2007* when contracting for goods and services.
- ACT Leave discloses its use of consultants and contractors in its annual report.

Long Service Leave Authority organisational profile at 30 June 2024

Position	Estimated Outcome as at 30/6/24	Est. FTE 2024-25	Years of Service as at 30/6/24	Gender 2023-24	
				M	F
Registrar & Chief Executive (SES 1.4)	1	1	8	-	1
Deputy Registrar (SOGA)	1	1	2.7	-	1
Chief Operations Officer (SOG B)	1	1	0.5	-	1
Chief Finance Officer (SOG B)	1	1	1.3	-	1
Operations Manager (SOG C)	1	1	25	1	-
Financial Controller (SOGC)	1	1	6.5	-	1
Compliance Manager (ASO 6)	1	1	6	-	1
Finance Manager (ASO 6)	1	1	0.2	1	-
Client Services Manager (ASO 6)	1	1	5.5	1	-
Benefits Manager (ASO 6)	1	1	16	-	1
Senior Benefits Officer (ASO 5)	2	3	10, 8	-	2
Senior Client Services Officer (ASO 5)	1	2	5.5	-	1
Senior Compliance Officer (ASO 5)	5	5	5.7, 3.3, 1.4, 0.5, 0.5	4	1
Office Manager (ASO 5)	1	1	1.5	-	1
Benefits Officer (ASO 4)	2	2	1.5, 1.5	-	2
Client Services Officer (ASO 4)	5.9	7.9	5, 1.5, 0.5, 0.5, 0.5	3.9	2
Finance Officer (ASO 4)	2.6	2.6	2.8, 11, 1.5	-	2.6
Total	29.5	33.5		10.9	18.6

Monitoring and reporting

ACT Leave shall satisfy the requirements of the Chief Minister's Annual Report Directions. ACT Leave's Annual Report will, amongst other things, report against the requirements of this Statement of Intent. ACT Leave is not funded by budget appropriation and its accounts are not consolidated into the whole of government budget.

Annual reporting

As part of preparations for end of year reporting, the Chief Minister, Treasury and Economic Development Directorate will advise the dates when the following documents are required at the Chief Minister, Treasury and Economic Development Directorate and at the Auditor-General's Office:

- a) Certified financial statements.
- b) Management discussion and analysis.
- c) A full and accurate set of audited financial records for the preceding financial year in the form requested.

Financial arrangements

The budgeted financial statements included in this Statement of Intent reflect the financial activities of ACT Leave.

In 2023-24 ACT Leave is expecting to make an overall operating deficit of \$11.169 million. This consolidated result is aggregated from each administered scheme's budgeted 2023-24 operating results below:

- Construction: operating surplus of \$1.811 million;
- Cleaning: operating surplus of \$0.052 million;
- Community: operating deficit of \$12.236 million; and
- Security: operating deficit of \$0.796 million.

Financial statements

Budgeted financial statements for the 2024-25 Budget year, as well as forward estimates for the three financial years commencing 2025-26 appear below. These general-purpose financial statements have been prepared in accordance with the ACT Government's Model Financial Statements and include:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement;
- e) Notes to the Financial Statements as appropriate; and
- f) Individual Scheme Financial Statements.

Long Service Leave Authority (Consolidated)
Operating Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Income						
	Revenue						
36,156	Contributions Received	36,199	46,667	29	52,091	57,921	60,908
8,891	Gains from Remeasurement of Assets	24,798	10,080	-59	12,160	14,480	16,958
6,279	Investment Income	9,808	9,617	-2	9,882	10,129	10,331
976	Other	741	434	-41	446	457	466
52,302	Total Revenue	71,546	66,798	-7	74,579	82,987	88,663
	Expenses						
298	Depreciation and Amortisation	305	252	-17	259	265	270
1,660	Supplies and Services	2,240	2,625	17	1,705	1,807	1,910
47,605	Long Service Leave Benefit	76,454	66,048	-14	75,600	80,876	86,859
3,204	Employee Expenses	3,522	4,113	17	4,255	4,321	4,379
520	Other	194	106	-45	106	105	103
53,287	Total Expenses	82,715	73,143	-12	81,925	87,374	93,521
-985	Operating Result	-11,169	-6,345	43	-7,346	-4,387	-4,858
-985	Total Comprehensive Income	-11,169	-6,345	43	-7,346	-4,387	-4,858

ACT Long Service Leave Authority (Consolidated) **Balance Sheet**

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
5,396	Cash Assets	5,436	9,940	83	11,973	13,332	14,301
11,228	Receivables	11,501	15,057	31	15,493	17,012	17,809
279,388	Investments	303,337	331,732	9	371,108	414,055	458,194
296,012	Total Current Assets	320,274	356,729	11	398,574	444,399	490,304
	Non Current Assets						
1,633	Property, Plant and Equipment	1,870	1,696	-9	1,437	1,172	903
10	Intangibles	43	0	-100	0	0	0
1,643	Total Non Current Assets	1,913	1,696	-11	1,437	1,172	903
297,655	TOTAL ASSETS	322,187	358,425	11	400,011	445,571	491,207
	Current Liabilities						
1,302	Payables	1,750	1,802	3	1,852	1,897	1,936
165	Lease Liability	135	175	29	180	181	184
211,578	Provision for Long Service Leave Benefits	230,125	262,797	14	305,149	359,752	414,417
954	Employee Benefits	1,006	1,011	0	1,045	1,062	1,076
213,999	Total Current Liabilities	233,016	265,786	14	308,226	362,892	417,613
	Non Current Liabilities						
1,029	Lease Liability	1,461	1,320	-10	1,169	1,013	852
32,304	Provision for Long Service Leave Benefits	42,388	52,323	23	58,961	54,395	50,326
62	Employee Benefits	124	144	16	148	151	153
33,395	Total Non Current Liabilities	43,972	53,787	22	60,278	55,559	51,331
247,394	TOTAL LIABILITIES	276,989	319,572	15	368,504	418,451	468,944
50,261	NET ASSETS	45,198	38,853	-14	31,507	27,120	22,263
	EQUITY						
50,261	Accumulated Funds	45,198	38,853	-14	31,507	27,120	22,263
50,261	TOTAL EQUITY	45,198	38,853	-14	31,507	27,120	22,263

ACT Long Service Leave Authority (Consolidated)
Statement of Changes in Equity

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
51,246	Opening Balance	56,367	45,198	-20	38,853	31,507	27,120
-985	Operating Result for the Period	-11,169	-6,345	43	-7,346	-4,387	-4,858
-985	Total Comprehensive Income	-11,169	-6,345	43	-7,346	-4,387	-4,858
50,261	Closing Balance	45,198	38,853	-14	31,507	27,120	22,262

ACT Long Service Leave Authority (Consolidated)

Cash Flow Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
36,039	Contributions from Employers and Contractors	36,739	43,064	17	51,721	56,464	60,161
1,122	Other	902	593	-34	610	626	639
37,161	Operating Receipts	37,641	43,657	16	52,331	57,090	60,800
Payments							
22,223	Payments of Long Service Leave Benefits	28,384	23,439	-17	26,610	30,837	36,262
5,031	Payment to Suppliers and Employees	5,439	6,821	25	6,036	6,233	6,408
495	Other	140	75	-47	77	81	80
27,749	Operating Payments	33,963	30,335	-11	32,723	37,151	42,750
9,412	NET CASH INFLOWS FROM OPERATING ACTIVITIES	3,678	13,321	262	19,608	19,939	18,050
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
350	Proceeds on Sale of Investments	300	500	67	0	0	0
350	Investing Receipts	300	500	67	0	0	0
Payments							
100	Purchases of Property, Plant and Equipment	178	0	-100	0	0	0
10,500	Purchases of Investments	5,200	9,150	76	17,400	18,400	16,900
10,600	Investing Payments	5,378	9,150	70	17,400	18,400	16,900
-10,250	NET CASH (OUTFLOWS) FROM INVESTING ACTIVITIES	-5,078	-8,650	-70	-17,400	-18,400	-16,900
CASH FLOWS FROM FINANCING ACTIVITIES							
Payments							
128	Repayment of Lease Liabilities - Principal	160	167	4	175	180	181
128	Financing Payments	160	167	4	175	180	181
-128	NET CASH (OUTFLOWS) FROM FINANCING ACTIVITIES	-160	-167	-4	-175	-180	-181
-966	NET (DECREASE)/INCREASE IN CASH HELD	-1,560	4,504	389	2,033	1,359	969
6,362	CASH AT THE BEGINNING OF THE REPORTING PERIOD	6,996	5,436	-22	9,940	11,973	13,332
5,396	CASH AT THE END OF THE REPORTING PERIOD	5,436	9,940	83	11,973	13,332	14,301

Notes to the Financial Statements

Significant variations are as follows:

Operating Statement

- Contributions received:
 - the increase of \$10.468 million in the 2024-25 budget from the 2023-24 estimated outcome is mainly due to an increase of contribution levy revenue expected to be collected from a moderate growth of all four covered industries in the ACT and levy increases in the Community (0.25per cent from 1 July 2024), Security (0.40 per cent from 1 July 2024) and Building and Construction (0.25 per cent from 1 October 2024) schemes.
- Gains from remeasurement of assets and investment income (total investment return includes gains and investment distribution income):
 - the increase of \$19.436 million in the 2023-24 estimated outcome from the original budget was largely due to an actual return of 10.0 per cent for the 8 months to 29 February 2024 and 6.0 per cent per annum expected for the remainder of the 2023-24 compared to 5.5 per cent per annum return anticipated in the original budget; and
 - the decrease of \$14.909 million in the 2024-25 budget from the 2023-24 estimated outcome is mainly due to a long-term investment return of 6.0 per cent per annum expected to be achieved in 2023-24 compared to 10.0 per cent actual return achieved for the 8 months to 29 February 2024 and 6.0 per cent per annum anticipated for the remainder of the year.
- Long service leave benefit expenses:
 - the increase of \$28.849 million in the 2023-24 estimated outcome from the original budget was mainly due to the actuarial review of the present value of the long-term long service leave liability for the four administered schemes. All four schemes' long service leave expenses are forecast to rise, with the growth mainly from the Community Sector scheme (\$19.066 million) and the Building and Construction Industry scheme (\$8.157 million). The key factors contributing to the increase include increases in leave taken, exits and service-based wage inflation; and
 - the decrease of \$10.406 million in the 2024-25 Budget from the 2023-24 estimated outcome is due to the actuarial review of the present value of the long-term long service leave liability for the four administered schemes. The decrease is mainly attributed to the Community Sector scheme (\$10.984 million).
- Employee expenses:
 - the increase of \$0.591 million in the 2024-25 Budget from the 2023-24 estimated outcome is mainly due to recruitment of additional FTE in preparation to the commencement of the Services Industry scheme and to support an increase in business as usual workload.
- Supplies and Services:

- the increase of \$0.385 million in the 2024-25 Budget from the 2023-24 estimated outcome is mainly due to contracting service expenses associated with the deployment of the new administration system.

Balance Sheet

- Investments:
 - the increase of \$24.752 million in the 2023-24 estimated outcome from the original budget was mainly due to the higher than anticipated investment return achieved (actual return of 10.0 per cent for the 8 months to 29 February 2024) compared to the expected long-term asset return rate of 5.5 per cent per annum when the original budget was prepared; and
 - the increase of \$28.395 million in the 2024-25 Budget from the 2023-24 estimated outcome is mainly due to the anticipated 6.0 per cent per annum long-term return to be achieved in 2024-25 and additional investment expected to be made in 2024-25.
- Cash assets:
 - the increase of \$4.504 million in the 2024-25 Budget from the 2023-24 estimated outcome is mainly due to the positive cashflow resulting from higher contributions from employers and contractors and lower payments of long service leave benefits as anticipated in the actuarial projections.
- Receivables:
 - the increase of \$3.556 million in the 2024-25 Budget from the 2023-24 estimated outcome is mainly due to higher levy payable for the last quarter of 2024-25 as a result of levy rate increases as well as the commencement of the Services scheme on 1 April 2025.
- Current and non-current provision for long service leave benefit liabilities:
 - the increase of \$24.808 million in the 2023-24 estimated outcome from the original budget and the increase of \$42.607 million in the 2024-25 budget from the 2023-24 estimated outcome is a result of the revised actuarial valuation, based on the projected number of workers, wage growth, and other actuarial demographic assumptions, for all administered schemes.

Statement of Changes in Equity and Statement of Cash Flow

Variations in these statements are explained in the notes above.

Individual Scheme Financial Statements

ACT Construction Industry Long Service Leave Scheme Operating Statement

2023-24 Budget \$'000		2023-24 Est. Outcome \$'000	2024-25 Budget \$'000	Var %	2025-26 Estimate \$'000	2026-27 Estimate \$'000	2027-28 Estimate \$'000
Income							
18,402	Contributions Received	18,552	22,849	23	25,109	26,491	27,792
5,123	Gains from Remeasurement of Assets	14,698	5,432	-63	6,427	7,504	8,631
3,678	Investment Income	5,838	5,952	2	6,115	6,268	6,394
945	Other Revenue	699	477	-32	490	503	513
28,148	Total Income	39,787	34,710	-13	38,141	40,766	43,330
Expenses							
260	Depreciation and Amortisation	258	205	-20	211	216	220
691	Supplies and Services	821	1,016	24	674	714	744
27,186	Long Service Leave Benefit	35,343	36,828	4	39,348	42,047	44,939
1,314	Employee Expenses	1,373	1,604	17	1,659	1,685	1,708
468	Other	181	89	-51	88	86	84
29,919	Total Expenses	37,976	39,741	5	41,980	44,748	47,695
-1,771	Operating Result	1,811	-5,031	-378	-3,839	-3,982	-4,365
-1,771	Total Comprehensive Income	1,811	-5,031	-378	-3,839	-3,982	-4,365

ACT Construction Industry Long Service Leave Scheme Balance Sheet

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
2,785	Cash Assets	3,203	5,685	77	6,801	7,478	8,149
5,437	Receivables	6,097	7,201	18	7,806	8,190	8,546
161,325	Investments	177,617	191,972	8	210,473	230,207	250,201
169,547	Total Current Assets	186,917	204,858	10	225,080	245,875	266,896
	Non Current Assets						
1,234	Property, Plant and Equipment	1,349	1,221	-9	1,011	795	575
10	Intangibles	43	0	-100	0	0	0
1,244	Total Non Current Assets	1,392	1,221	-12	1,011	795	575
17,791	TOTAL ASSETS	188,309	206,079	9	226,091	246,670	267,471
	Current Liabilities						
649	Payables	838	863	3	887	909	927
165	Lease Liability	135	175	29	180	181	184
118,115	Provision for Long Service Leave Benefits	136,326	152,429	12	170,582	191,886	220,328
556	Employee Benefits	587	613	4	633	643	651
119,485	Total Current Liabilities	137,886	154,080	12	172,282	193,619	222,090
	Non Current Liabilities						
1,029	Lease Liability	1,461	1,320	-10	1,169	1,013	852
30,000	Provision for Long Service Leave Benefits	22,655	29,397	30	35,195	38,575	35,429
29	Employee Benefits	42	48	14	50	50	51
31,058	Total Non Current Liabilities	24,158	30,765	27	36,414	39,638	36,332
150,543	TOTAL LIABILITIES	162,044	184,845	14	208,696	233,257	258,422
20,248	NET ASSETS	26,265	21,234	-19	17,395	13,413	9,049
	EQUITY						
20,248	Accumulated Funds	26,265	21,234	-19	17,395	13,413	9,049
20,248	TOTAL EQUITY	26,265	21,234	-19	17,395	13,413	9,049

ACT Construction Industry Long Service Leave Scheme
Statement of Changes in Equity

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
22,019	Opening Balance	24,454	26,265	7	21,234	17,395	13,413
-1,771	Operating Result for the Period	1,811	-5,031	-378	-3,839	-3,982	-4,365
-1,771	Total Comprehensive Income	1,811	-5,031	-378	-3,839	-3,982	-4,365
20,248	Closing Balance	26,265	21,234	-19	17,395	13,413	9,049

ACT Construction Industry Long Service Leave Scheme

Cash Flow Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
18,390	Contributions from Employers and Contractors	18,730	21,775	16	24,544	26,146	27,467
930	Other	699	477	-32	490	502	513
19,320	Operating Receipts	19,429	22,252	15	25,034	26,648	27,980
	Payments						
15,930	Payments of Long Service Leave Benefits	17,643	13,983	-21	15,397	17,362	19,643
2,024	Payment to Suppliers and Employees	2,134	2,563	20	2,287	2,366	2,424
445	Other	127	58	-55	59	62	61
18,399	Operating Payments	19,903	16,603	-17	17,743	19,790	22,128
921	NET CASH (OUTFLOWS)/INFLOWS FROM OPERATING ACTIVITIES	-474	5,649	1,291	7,291	6,858	5,852
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
0	Purchase of Property, Plant and Equipment	47	0	-100	0	0	0
1,000	Purchase of Investments	400	3,000	650	6,000	6,000	5,000
1,000	Investing Payments	447	3,000	571	6,000	6,000	5,000
-1,000	NET CASH (OUTFLOWS) FROM INVESTING ACTIVITY	-447	-3,000	-571	-6,000	-6,000	-5,000
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Payments						
128	Repayment of Lease Liabilities - Principal	160	167	4	175	180	181
128	Financing Payments	160	167	4	175	180	181
-128	NET CASH FLOWS FROM FINANCING ACTIVITY	-160	-167	-4	-175	-180	-181
-207	NET (DECREASE)/INCREASE IN CASH HELD	-1,081	2,482	330	1,116	678	671
2,992	CASH AT THE BEGINNING OF THE REPORTING PERIOD	4,284	3,203	-25	5,685	6,801	7,478
2,785	CASH AT THE END OF THE REPORTING PERIOD	3,203	5,685	77	6,801	7,478	8,149

ACT Cleaning/Services Industry Long Service Leave Scheme

Operating Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Income							
Revenue							
1,416	Contributions Received	1,381	2,831	105	4,330	7,309	7,563
612	Gains from Investments	1739	594	-66	724	970	1,317
456	Investment Income	726	743	2	763	782	798
23	Other	23	12	-51	12	12	12
2,507	Total Revenue	3,869	4,180	8	5,829	9,073	9,690
Expenses							
209	Supplies and Services	320	416	30	271	265	289
2,507	Long Service Leave Benefit	3,142	3,028	-4	7,687	8,182	9,211
320	Employee Expenses	352	411	17	425	432	438
9	Other	2	4	58	4	4	4
3,045	Total Expenses	3,817	3,859	1	8,387	8,883	9,942
-538	Operating Result	52	320	511	-2,558	190	-252
-538	Total Comprehensive Income	52	320	511	-2,558	190	-252

ACT Cleaning/Services Industry Long Service Leave Scheme

Balance Sheet

Budget as at 30/6/24 \$'000		Est. Outcome as at 30/6/24 \$'000	Planned as at 30/6/25 \$'000	Var %	Planned as at 30/6/26 \$'000	Planned as at 30/6/27 \$'000	Planned as at 30/6/28 \$'000
Current Assets							
111	Cash Assets	85	50	-41	958	1,308	1,322
472	Receivables	527	1,880	257	1,273	2,023	2,090
19,680	Investments	21,811	22,644	4	26,126	31,873	38,984
20,263	Total Current Assets	22,423	24,574	10	28,358	35,204	42,396
20,263	TOTAL ASSETS	22,423	24,574	10	28,358	35,204	42,396
Current Liabilities							
47	Payables	125	128	3	131	134	137
12,043	Provision for Long Service Leave Benefits	12,339	13,925	13	15,796	18,354	20,196
88	Employee Benefits	104	106	2	110	112	113
12,178	Total Current Liabilities	12,568	14,159	13	16,037	18,600	20,446
Non Current Liabilities							
264	Provision for Long Service Leave Benefits	506	743	47	5,207	9,299	14,897
5	Employee Benefits	13	16	17	16	17	17
269	Total Non Current Liabilities	519	759	46	5,223	9,316	14,914
12,447	TOTAL LIABILITIES	13,087	14,918	14	21,260	27,916	35,360
7,816	NET ASSETS	9,336	9,656	3	7,098	7,288	7,036
EQUITY							
7,816	Accumulated Funds	9,336	9,656	3	7,098	7,288	7,036
7,816	TOTAL EQUITY	9,336	9,656	3	7,098	7,288	7,036

ACT Cleaning/Services Industry Long Service Leave Scheme
Statement of Changes in Equity

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
8,354	Opening Balance	9,284	9,336	1	9,656	7,098	7,288
-538	Operating Result for the Period	52	320	511	-2,558	190	-252
-538	Total Comprehensive Income	52	320	511	-2,558	190	-252
7,816	Closing Balance	9,336	9,656	3	7,098	7,288	7,036

ACT Cleaning/Services Industry Long Service Leave Scheme
Cash Flow Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
	Receipts						
1,406	Contributions from Employers and Contractors	1,444	1,482	3	4,942	6,564	7,500
20	Other	23	10	-59	12	12	12
1,426	Operating Receipts	1,468	1,492	2	4,953	6,576	7,512
	Payments						
1,293	Payments of Long Service Leave Benefits	1,278	1,203	-6	1,353	1,531	1,771
527	Payment to Suppliers and Employees	608	819	35	688	692	723
9	Other	2	4	58	4	4	4
1,829	Operating Payments	1,888	2,026	7	2,045	2,227	2,498
-403	NET CASH (OUTFLOWS)/INFLOWS FROM OPERATING ACTIVITIES	-420	-534	-27	2,908	4,350	5,014
CASH FLOWS FROM INVESTING ACTIVITIES							
	Receipts						
350	Proceeds on Sale of Investments	300	500	67	0	0	0
350	Investing Receipts	300	500	67	0	0	0
	Payments						
0	Purchases of Investments	0	0	-	2,000	4,000	5,000
0	Investing Payments	0	0	-	2,000	4,000	5,000
350	NET CASH INFLOWS/(OUTFLOWS) FROM INVESTING ACTIVITIES	300	500	67	-2,000	-4,000	-5,000
-53	NET (DECREASE)/INCREASE IN CASH HELD	-120	-34	71	908	350	14
164	CASH AT THE BEGINNING OF THE REPORTING PERIOD	205	85	-59	50	958	1,308
111	CASH AT THE END OF THE REPORTING PERIOD	85	50	-41	958	1,308	1,322

ACT Community Sector Long Service Leave Scheme Operating Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Income							
Revenue							
15,386	Contributions Received	15,274	19,513	28	21,093	22,487	23,851
2,906	Gains from Remeasurement of Assets	7,666	3,770	-51	4,665	5,599	6,538
1,963	Investment Income	2,966	2,650	-11	2,723	2,791	2,847
170	Other Revenue	169	100	-40	103	106	108
20,425	Total Revenue	26,075	26,033	0	28,584	30,983	33,344
Expenses							
38	Depreciation and Amortisation	47	47	0	48	49	50
819	Supplies and Services	1,108	1,206	9	820	887	899
16,459	Long Service Leave Benefits	35,525	24,268	-32	26,496	28,433	30,348
1,415	Employee Expenses	1,620	1,892	17	1,957	1,988	2,014
41	Other Expenses	11	11	0	11	12	12
18,772	Total Expenses	38,310	27,424	-28	29,333	31,368	33,323
1,653	Operating Result	-12,236	-1,390	89	-748	-386	21
1,653	Total Comprehensive Income	-12,236	-1,390	89	-748	-386	21

ACT Community Sector Long Service Leave Scheme Balance Sheet

Budget as at 30/6/24 \$'000		Est. Outcome as at 30/6/24 \$'000	Planned as at 30/6/25 \$'000	Var %	Planned as at 30/6/26 \$'000	Planned as at 30/6/27 \$'000	Planned as at 30/6/28 \$'000
	Current Assets						
2,218	Cash Assets	2,052	3,869	89	3,772	4,052	4,428
5,011	Receivables	4,560	5,541	22	5,954	6,320	6,674
90,589	Investments	95,341	107,840	13	124,210	140,583	156,454
97,818	Total Current Assets	101,953	117,250	15	133,936	150,955	167,557
	Non Current Assets						
399	Property, Plant and Equipment	521	475	-9	427	378	328
399	Total Non Current Assets	521	475	-9	427	378	328
98,217	TOTAL ASSETS	102,474	117,725	15	134,363	151,332	167,885
	Current Liabilities						
546	Payables	719	740	3	761	780	795
75,057	Provision for Long Service Leave Benefits	74,221	88,055	19	109,035	138,103	160,452
292	Employee Benefits	291	271	-7	280	285	289
75,895	Total Current Liabilities	75,231	89,066	18	110,076	139,168	161,536
	Non Current Liabilities						
1,010	Provision for Long Service Leave Benefits	18,405	21,201	15	17,575	5,838	0
25	Employee Benefits	59	69	17	71	72	73
1,035	Total Non Current Liabilities	18,464	21,270	15	17,646	5,910	73
76,930	TOTAL LIABILITIES	93,695	110,336	18	127,722	145,078	161,609
21,287	NET ASSETS	8,779	7,389	-16	6,641	6,255	6,276
	EQUITY						
21,287	Accumulated Funds	8,779	7,389	-16	6,641	6,255	6,276
21,287	Total Equity	8,779	7,389	-16	6,641	6,255	6,276

ACT Community Sector Long Service Leave Scheme
Statement of Changes in Equity

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
19,634	Opening Balance	21,015	8,779	-58	7,389	6,641	6,255
1,653	Operating Result for the Period	-12,236	-1,390	-89	-748	-386	21
1,653	Total Comprehensive Income	-12,236	-1,390	-89	-748	-386	21
21,287	Closing Balance	8,779	7,389	-16	6,641	6,255	6,276

ACT Community Sector Long Service Leave Scheme

Cash Flow Statement

2023-24 Budget \$'000		2023-24 Est. Outcome \$'000	2024-25 Budget \$'000	Var %	2025-26 Estimate \$'000	2026-27 Estimate \$'000	2027-28 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
15,301	Contributions from Employers and contractors	15,563	18,453	19	20,698	22,139	23,510
160	Other	169	100	-40	103	106	108
15,461	Operating Receipts	15,731	18,554	18	20,801	22,244	23,618
Payments							
4,485	Payments of LSL Benefits	8,755	7,638	-13	9,142	11,102	13,837
2,220	Payment to Suppliers and Employees	2,416	3,087	28	2,745	2,850	2,893
39	Other	11	11	-	11	12	12
6,744	Operating Payments	11,182	10,736	-4	11,899	13,964	16,742
8,717	NET CASH FLOWS FROM OPERATING ACTIVITIES	4,550	7,818	72	8,903	8,280	6,876
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
100	Purchases of Property, Plant and Equipment	131	0	-100	0	0	0
9,500	Purchases of Investments	4,800	6,000	25	9,000	8,000	6,500
9,600	Investing Payments	4,931	6,000	22	9,000	8,000	6,500
-9,600	NET CASH (OUTFLOWS) FROM INVESTING ACTIVITIES	-4,931	-6,000	-22	-9,000	-8,000	-6,500
-883	NET (DECREASE)/INCREASE IN CASH HELD	-381	1,818	577	-97	280	376
3,101	CASH AT THE BEGINNING OF THE REPORTING PERIOD	2,433	2,052	-16	3,869	3,772	4,052
2,218	CASH AT THE END OF REPORTING PERIOD	2,052	3,869	89	3,772	4,052	4,428

ACT Security Industry Long Service Leave Scheme Operating Statement

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Income							
Revenue							
952	Contributions Received	992	1,474	49	1,559	1,634	1,702
250	Gains from Remeasurement of Assets	695	284	-59	345	408	471
182	Investment Income	278	272	-2	280	287	293
13	Other Revenue	11	6	-49	6	6	6
1,397	Total Revenue	1,976	2,036	3	2,190	2,335	2,472
Expenses							
116	Supplies and Services	151	147	-2	106	111	151
1,453	Long Service Leave Benefit	2,444	1,924	-21	2,069	2,214	2,361
155	Employee Expenses	176	206	17	213	216	219
2	Other	1	3	163	3	3	3
1,726	Total Expenses	2,772	2,280	-18	2,390	2,544	2,734
-329	Operating Result	-796	-244	69	-200	-209	-262
-329	Total Comprehensive Income	-796	-244	69	-200	-209	-262

ACT Security Industry Long Service Leave Scheme

Balance Sheet

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Current Assets							
282	Cash Assets	97	335	247	442	493	401
308	Receivables	318	437	37	460	480	499
7,794	Investments	8,568	9,276	8	10,299	11,392	12,555
8,384	Total Current Assets	8,982	10,048	12	11,200	12,366	13,455
8,384	TOTAL ASSETS	8,982	10,048	12	11,200	12,366	13,455
Current Liabilities							
60	Payables	69	71	3	73	75	77
6,363	Provision for Long Service Benefits	7,239	8,388	16	9,736	11,409	13,441
18	Employee Benefits	25	21	-14	22	22	23
6,441	Total Current Liabilities	7,333	8,481	16	9,831	11,507	13,540
Non Current Liabilities							
1,030	Provision for Long Service Leave Benefits	822	982	19	984	683	0
3	Employee Benefits	9	11	17	11	12	12
1,033	Total Non Current Liabilities	831	993	19	995	695	12
7,474	TOTAL LIABILITIES	8,164	9,474	16	10,827	12,201	13,552
910	NET ASSETS	818	574	-30	374	164	-98
EQUITY							
910	Accumulated Funds	818	574	-30	374	164	-98
910	TOTAL EQUITY	818	574	-30	374	164	-98

ACT Security Industry Long Service Leave Scheme
Statement of Changes in Equity

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/24		as at 30/6/24	as at 30/6/25	Var	as at 30/6/26	as at 30/6/27	as at 30/6/28
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
1,239	Opening Balance	1,614	818	-49	574	374	164
-329	Operating Result for the Period	-796	-244	-69	-200	-209	-262
-329	Total Comprehensive Income	-796	-244	-69	-200	-209	-262
910	Closing Balance	818	574	-30	374	164	-98

ACT Security Industry Long Service Leave Scheme **Cash Flow Statement**

2023-24		2023-24	2024-25		2025-26	2026-27	2027-28
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
942	Contributions from Employers and contractors	1,002	1,354	35	1,538	1,615	1,685
12	Other	11	6	-49	5	6	5
954	Operating Receipts	1,013	1,359	34	1,542	1,621	1,690
Payments							
515	Payments of Long Service Leave Benefits	708	615	-13	718	842	1,011
260	Payment to Suppliers and Employees	281	353	25	315	325	368
2	Other	1	3	163	3	3	3
777	Operating Payments	990	970	-2	1,036	1,170	1,382
177	NET CASH FLOWS FROM OPERATING ACTIVITIES	23	389	1,616	506	451	308
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
0	Purchases of Investments	0	150	#	400	400	400
0	Investing Payments	0	150	#	400	400	400
0	NET CASH (OUTFLOWS) FROM INVESTING ACTIVITIES	0	-150	#	-400	-400	-400
177	NET INCREASE/(DECREASE) IN CASH HELD	23	239	954	106	51	-92
105	CASH AT THE BEGINNING OF THE REPORTING PERIOD	74	97	31	335	442	493
282	CASH AT THE END OF REPORTINGN PERIOD	97	335	247	442	493	401

Attachment 1 - Organisational Chart for Long Service Leave Authority

