



Standing Committee on Public Accounts

Inquiry into Appropriation 2022-2022 (No 2) and Appropriation (Office of the Legislative Assembly) 2022-2022 (No 2) **ANSWER TO QUESTION TAKEN ON NOTICE**

Asked by Mr Parton MLA on 27 February 2023: Andrew Barr MLA took on notice the following question(s):

Reference: Hansard [uncorrected] proof transcript [PAGE 9]

In relation to: Dividends, market gains on land sales - what is it and why the increase

MR PARTON: Yes. Let me move along to, in table 4.1, the ACT General Government Sector Operating Statement—

Mr Barr: Sorry, which are you—the supplementary budget papers or the budget review?

MR PARTON: I have a copy of the table, but I just—

Mr Barr: 4.1, I think page 107? I think that is right. Yes. The GGS Operating Statement?

THE CHAIR: Yes, the Operating Statement—

MR PARTON: Yes. Yes, that is correct. That is correct.

So there is a line item under, other economic flows, included in the operating result, which is named, Dividends, market gains on land sales. Are you able to explain what this is and why the amount has gone up over 20 million from the budget outlook to the budget review? Because we just could not get a handle on exactly why that would be. So, other economic flows included in the operating result—

Mr Barr: I can see. Yes, so it is about halfway down the page on page 107.

MR PARTON: Yes. We genuinely ask the question because we want to know the answer.

Mr Barr: Well, if it is a dividends, like, it comes with a significant land agency, but we will take it on notice and provide a written explanation.

MR PARTON: That would be helpful. It was just one of those things that, when we spotted it, we just could not figure it out.

Mr Hocking: Stuart Hocking again. I think I would say, you know, the land sales program can be quite long, being in terms of when revenue comes in. I anticipate it is probably that the SLA just achieved more sales—you know, finalised more sales than we were budgeting, but we will provide a more comprehensive response on notice.

Andrew Barr MLA: The answer to the Member's question is as follows:—

Dividends (market gains on land sales) represent the portion of land-related dividend returns to the General Government Sector (GGS) relating to growth in the value of land sold that is attributed to prevailing market conditions.

The accounting treatment and reporting is governed by the accounting standard AASB 1049 'Whole of Government and General Government Sector Financial Reporting' which requires the consolidated financial statements to comply with the Government Finance Statistics (GFS) Framework issued by the ABS. The GFS Framework provides the conceptual basis for other economic flows.

The increase between the 2022-23 Budget and 2022-23 Budget Review is due to an increase in the sale value of the Turner Northbourne Flats site.

Approved for circulation to the Standing Committee on Public Accounts

Signature: 

Date: 10.3.23

By the Treasurer, Andrew Barr MLA