



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE OUTCOMES GENERAL QUESTIONNAIRE

TREASURY CORPORATION OF VICTORIA

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SECTION A: Output variances and program outcomes***Question 1 (departments only)***

This question does not apply to your agency.

Question 2 (departments only)

This question does not apply to your agency.

Question 3 (Department of Treasury and Finance only)

This question does not apply to your agency.

SECTION B: Asset investment (departments only)***Question 4***

This question does not apply to your agency.

Question 5

This question does not apply to your agency.

Question 6

This question does not apply to your agency.

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Question 7

This question does not apply to your agency.

Question 8

This question does not apply to your agency.

Question 9 (Department of Treasury and Finance only)

This question does not apply to your agency.

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SECTION B: Asset investment (non-departments only)

Question 10

Please provide the following details for any asset investment project where actual expenditure in 2013-14 or 2014-15 varied by \$±10 million or more from the initial budget estimate at the start of the relevant year (**not** the revised estimate).

If there were no asset investment projects for your agency where the actual expenditure varied by \$±10 million or more from the budget estimate, you do not need to answer this question. If this is the case, please indicate ‘no relevant projects’ in the table(s) below.

(a) in 2013-14

Project	Estimated expenditure in 2013-14 (2013-14 budget papers) (\$ million)	Actual expenditure in 2013-14 (\$ million)	Explanation for variance	Estimated financial completion date in 2013-14 budget papers	Estimated financial completion date in 2014-15 budget papers	Explanation for any changes to the estimated financial completion date
No relevant projects						

(b) in 2014-15

Project	Estimated expenditure in 2014-15 (2014-15 budget papers) (\$ million)	Actual expenditure in 2014-15 (\$ million)	Explanation for variance	Estimated financial completion date in 2014-15 budget papers	Estimated financial completion date in 2015-16 budget papers	Explanation for any changes to the estimated financial completion date
No relevant projects						

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Question 11

Please detail the initial budget estimates (**not** the revised estimate) for 'purchases of non-financial assets' for 2013-14 and 2014-15 (or equivalent line items in the cash flow statements) for your entity, the actual amounts of those line item in your annual reports and an explanation for any variances greater than ± 10 per cent or \$100 million.

Initial budget estimate for 2013-14 (\$ million)	Actual for 2013-14 (\$ million)	Explanation for any variance greater than ± 10 per cent or \$100 million
0.881	0.668	The variance reflects a number of categories with lower than budgeted expenditure, with software reflecting about half.

Initial budget estimate for 2014-15 (\$ million)	Actual for 2014-15 (\$ million)	Explanation for any variance greater than ± 10 per cent or \$100 million
1.759	1.216	The variance largely reflects the actual timing of a treasury system upgrade costs and other capitalised software licencing costs compared to that assumed in the budgeting process.

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SECTION C: Revenue and appropriations

Question 12

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue impacted on service delivery.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Net gain on financial assets and liabilities at fair value through profit and loss (P&L)	67.109	60.677	2013-14 revenue was impact by a substantially lower level of lending activity than 2012-13 and less favourable market conditions.	Reduces net profit/dividend.
Other fees and income	7.974	9.010	Increase reflects increase in DTF borrowing portfolio.	Offsets reduced net gain on financial assets and liabilities.

Revenue category	2013-14 actual (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Net gain on financial assets and liabilities at fair value through P&L	60.677	41.167	Lower level of lending activity and less favourable market conditions.	Reduces net profit/dividend.

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Question 13

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2013-14 and 2014-15 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2013-14 budget estimate (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
			No relevant line items	

Revenue category	2014-15 budget estimate (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
			No relevant line items	

Question 14 (departments only)

This question does not apply to your agency.

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Question 15 (departments only)

This question does not apply to your agency.

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Question 16

Regarding the trust accounts listed in the ‘trust account balances’ note to the financial statements in your entity’s annual report, please identify any accounts from which payments were passed directly to other bodies without being counted in your entity’s comprehensive operating statement. For each relevant account, please identify:

- (a) the value of payments;
- (b) the recipients of the payments; and
- (c) the purpose of the payments.

Trust account	Total payments from the account to bodies other than the Department, 2013-14 (\$ million)	Recipient of the payment	Purpose of the payment
n/a			

Trust account	Total payments from the account to bodies other than the Department, 2014-15 (\$ million)	Recipient of the payment	Purpose of the payment
n/a			

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SECTION D: Expenses

Question 17

Please explain any variances greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community¹ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2012-13 actual (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Prudential supervision fee	0.083	0.107	Fee charged by DTF	Increased expenditure
Power and other occupancy costs	0.190	0.209	Increase largely reflects increase in outgoings charges.	Increased expenditure
Promotional expenses	0.235	0.195	Reduction reflects reduced function expenditure.	Reduced expenditure.
Legal costs	0.131	0.158	Expenditure varies depending on market and other activities.	Increased expenditure

¹ That is, the impact of service delivery on the community rather than a description of the services delivered.

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Expenses category	2013-14 actual (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Borrowing expenses	1.809	1.242	\$0.654 million variance as no syndication fees incurred in 2014-15	There was no need to syndicate an issuance in 2014-15.
Information technology	1.722	1.893	Approximately half the increase reflects the increased cost of software maintenance. The balance includes increased costs associated with internet charges, disaster recovery, professional fees and hardware maintenance.	Maintained systems and disaster recovery capability.
Amortisation of intangible assets	1.072	0.456	TCV's treasury system became fully amortised in 2013-14.	Reduced expenditure in 2014-15.
Advertising, promotion and related travel	0.402	0.321	The reduction largely reflects reduced overseas travel expenditure.	Reduced expenditure.

Question 18

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2013-14 and 2014-15 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no categories of expenses for your department/agency for which the 2013-14 and 2014-15 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

² That is, the impact of service delivery on the community rather than a description of the services delivered.

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Expenses category	2013-14 budget estimate (\$ million)	2013-14 actual (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Borrowing expenses	1.087	1.809	\$0.654 million was incurred in syndication fees, which are not budgeted for, as the need to appoint banks in this capacity is dependent on market conditions for the term of the bond being issued.	Successful domestic benchmark bond issuance.
Prudential supervision fee	0.081	0.107	Fees associated with the audit of TCV's reporting, added to DTF's charges, were not anticipated.	None (other than impact on net profit/dividend)
Other professional service fees	0.924	0.795	Primarily reflects the lack of need to utilise the contingency budget and legal fees being lower than anticipated.	None (other than impact on net profit/dividend)
Advertising, promotion and related travel	0.540	0.402	Largely reflects lower than anticipated travel (primarily overseas) and reduced expenditure on functions.	None (other than impact on net profit/dividend)

Expenses category	2014-15 budget estimate (\$ million)	2014-15 actual (\$ million)	Explanations for variances greater than ±10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Other professional service fees	0.964	0.740	Primarily reflects the lack of need to utilise the contingency consultancy fee budget, reduced internal audit expenditure and budgeted consultancy expenditure not being incurred.	None (other than impact on net profit/dividend)
Amortisation of intangible assets	0.517	0.456	Primarily reflects the timing of the payment of capitalised software licence fees.	None (other than impact on net profit/dividend)
Advertising, promotion and related travel	0.580	0.321	Primarily reflects the cancellation of overseas travel in addition to various savings on promotional expenditure.	None (other than impact on net profit/dividend)

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Other operating expenses	0.625	0.473	Reflects under budget expenditure in areas such as training and recruitment in addition to a range of other office related costs.	None (other than impact on net profit/dividend)
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Question 19 (departments only)

This question does not apply to your agency.

Question 20

Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs:

(a) in 2013-14

n/a

(b) in 2014-15

n/a

Question 21 (departments only)

This question does not apply to your agency.

Question 22 (Department of Treasury and Finance only)

This question does not apply to your agency.

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Question 23 (PNFC and PFC entities only)

Please detail the value of dividends paid by your agency to the general government sector over the last three years, explaining the reasons for any significant changes over that period and the impact of any changes on the agency.

Total dividends paid in 2012-13 (\$ million)	Total dividends paid in 2013-14 (\$ million)	Total dividends paid in 2014-15 (\$ million)	Explanation for any variance greater than ± 10 per cent or \$100 million	Impact of changes to dividends on the agency
54.7	56.3	50.6	Prior year net profit was fully paid as dividend.	None

SECTION E: Public sector workforce**Question 24**

Please detail the total full-time equivalent number of staff in your department/agency as at 30 June 2013, 30 June 2014 and 30 June 2015 in each of the following bands of levels, and explain the changes:

Level	Total FTE (30 June 2013)	Total FTE (30 June 2014)	Total FTE (30 June 2015)	Explanation for changes
VPS Grades 1-3				See table below. TCV staff are not classified by VPS grading scales.
VPS Grade 4				
VPS Grades 5-6 and STS				
EO				
Other				
Total of all staff (including non-VPS grades)				

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Job Level / Classification	Total FTE (30.6.13)	Total FTE (30.6.14)	Total FTE (30.6.15)	Explanation for Changes
GSERP	5.6	5.6	5.6	No change
Principal Officer	3.0	3.0	3.0	No change
TCV Professional	4.6	6.2	5.4	2013-14: 1.0 to accounting / 0.6 late replacement for legal Counsel 2014-15: Accounts 0.6 to IT / Legal from 1.0 to 0.8
TCV IT Technical	9.0	9.0	9.6	2014-15: Accounts 0.6 to IT
TCV Technical	15.3	15.2	15.2	No change
TCV Settlements	5.0	4.0	3.0	2013-14: 1.0 to accounting 2014-15: Settlements 1.0 not replaced
TCV Administration	5.7	5.65	4.85	2013-14: Admin 0.05 rounding 2014-15: Admin from 0.65 to 0.85 / Admin 0.8 not replaced / Accounting from 1.0 to 0.8
Total	48.2	48.65	46.65	

Question 25

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances greater than ± 10 per cent or \$100 million between the years for each category.

Employment category	Gross salary 2012-13 (\$ million)	Gross salary 2013-14 (\$ million)	Gross salary 2014-15 (\$ million)	Explanation for any year-on-year variances greater than ± 10 per cent or \$100 million

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Ongoing	4.48	4.60	4.75	
Fixed-term	2.61	2.67	2.74	
Casual				
Total	7.09	7.27	7.48	

Question 26

Please detail the number of executives who received increases in their base remuneration in 2013-14 and 2014-15, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2013-14	Reasons for these increases
0-3 per cent	9	All within GSERP guidelines.
3-5 per cent		
5-10 per cent		
10-15 per cent		
greater than 15 per cent		

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2014-15	Reasons for these increases
0-3 per cent	9	All within GSERP guidelines.

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3-5 per cent		
5-10 per cent		
10-15 per cent		
greater than 15 per cent		

SECTION F: Inter-sector flows***Question 27 (Department of Treasury and Finance only)***

This question does not apply to your agency.

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SECTION G: Government decisions impacting on the finances

Question 28

(a) Please detail any costs incurred during 2014-15 in the following categories as a result of machinery-of-government changes:

	(\$ million)
Consultants and contractors (including legal advice)	n/a
Relocation	
Telephony	
IT and records management	
Rebranding	
Furniture and fit-out	
Other	

(b) If these costs were met out of existing budgets, please indicate what projects, programs or areas the money was originally budgeted for.

(c) Please identify any benefits achieved during 2014-15 as a result of machinery-of-government changes, quantifying the benefits where possible.

Question 29

Please identify any Commonwealth Government decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
n/a				

Question 30

Please identify any COAG decisions during 2013-14 or 2014-15 which had not been anticipated in the State budget but which impacted on your entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

COAG decision	Impact in 2013-14		Impact in 2014-15	
	on income (\$ million)	on expenses (\$ million)	on income (\$ million)	on expenses (\$ million)
n/a				

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SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)***Question 31***

This question does not apply to your agency.

Question 32

This question does not apply to your agency.

SECTION I: Economic environment***Question 33 (Department of Treasury and Finance only)***

This question does not apply to your agency.

Question 34 (Department of Treasury and Finance only)

This question does not apply to your agency.

Question 35 (Department of Treasury and Finance only)

This question does not apply to your agency.

Question 36 (Department of Treasury and Finance only)

This question does not apply to your agency.

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Question 37

Please identify any key economic variables for which there were variances in 2013-14 and 2014-15 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

- (a) what had been expected at budget time
- (b) what actually occurred
- (c) how the variance impacted on the budget outcomes (quantifying the impact where possible)
- (d) what decisions were made in response (including changes to service delivery, asset investment, borrowings etc.).

Expected economic result in 2013-14	Actual result in 2013-14	Impact of the variance on budget outcomes	Decisions made in response

Expected economic result in 2014-15	Actual result in 2014-15	Impact of the variance on budget outcomes	Impact of the variance on service delivery

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SECTION J: Previous recommendations

Question 38 (departments only)

This question does not apply to your agency.

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