

NT Home Ownership

Business Line	2008-09 Estimate	2009-10 Budget
	\$000	\$000
Income	12 519	10 862
NT Home Ownership	12 519	10 862
Expenses	11 371	10 566
NT Home Ownership	11 371	10 566
SURPLUS/DEFICIT BEFORE INCOME TAX	1 148	296

2009-10 Staffing: 2

Profile

NT Home Ownership provides housing assistance products to Territorians, including loans, grants and subsidies, to increase home ownership opportunities for low to middle income earners.

Strategic issues in 2009-10 include continuing to increase the home ownership rate in the Territory by developing innovative solutions to align home ownership assistance products with current market conditions.

Budget Highlights

Provision of \$28 million in new loans and \$6 million in shared equity to assist low to middle income households to gain access to home ownership.

Performance

NT Home Ownership's operating performance is expected to decline in 2009-10 primarily due to lower interest being received from new and existing home ownership loans. This is a direct reflection of the current home loan market where interest rates are the lowest they have been for many years.

Business Line: NT Home Ownership

Management of home ownership assistance products including loans, grants and subsidies to increase home ownership opportunities for low to middle income households.

The outcome is access to affordable housing through home ownership.

Performance Measures		2008-09 Estimate	2009-10 Estimate
<i>Quantity</i>	New home ownership loans	100	115
	Proportion of new Indigenous households receiving home purchase assistance	5%	5%
	Fee assistance loans granted as a percentage of new home ownership loans	99%	99%
	Value of new home ownership loans	\$28M	\$28M
	Value of new shared equity purchases	\$6M	\$6M
	Loans funded to households with a gross weekly income ¹		
	– \$0 to \$799	5%	10%
	– \$800 to \$1100	30%	60%
	– \$1101 to \$1346	65%	30%
	Total loan portfolio value	\$157M	\$136M
<i>Quality</i>	Home ownership loan accounts in arrears greater than 30 days	1.8%	1.8%
<i>Cost</i>	Average loan amount	\$182 000	\$220 000
	Median purchase price	\$255 000	\$290 000

¹ Household defined as couple (married or defacto) with or without dependants.

Operating Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
INCOME		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations	781	1 034
Sales of goods and services		
Interest revenue	9 745	8 535
Rent and dividends		
Gain(+)/loss(-) on disposal of assets	1 993	1 293
Other revenue		
TOTAL INCOME	12 519	10 862
EXPENSES		
Employee expenses	217	217
Administrative expenses		
Purchases of goods and services	2 491	2 403
Repairs and maintenance		
Depreciation and amortisation		
Other administrative expenses		
Grants and subsidies expenses		
Current	184	184
Capital		
Interest expense	8 479	7 762
TOTAL EXPENSES	11 371	10 566
SURPLUS(+)/DEFICIT(-) BEFORE INCOME TAX	1 148	296
Income tax expense	344	89
NET SURPLUS(+)/DEFICIT(-)	804	207

Balance Sheet

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
ASSETS		
Cash and deposits	6 076	4 412
Receivables	24	24
Prepayments	337	337
Inventories		
Advances and investments	181 711	176 745
Property, plant and equipment		
Other assets		
TOTAL ASSETS	188 148	181 518
LIABILITIES		
Deposits held		
Creditors and accruals	2 171	2 171
Borrowings and advances	165 798	159 618
Provisions	789	236
Other liabilities		
TOTAL LIABILITIES	168 758	162 025
NET ASSETS	19 390	19 493
EQUITY		
Capital		
Opening balance		18 988
Equity injections/withdrawals	18 988	
Reserves		
Accumulated funds		
Opening balance		402
Current year surplus(+)/deficit(-)	804	207
Dividends paid/payable	- 402	- 104
Accounting policy changes and corrections		
TOTAL EQUITY	19 390	19 493

Cash Flow Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Grants and subsidies received		
Current		
Capital		
Community service obligations	781	1 034
Receipts from sales of goods and services		
Interest received	9 721	8 535
Total operating receipts	10 502	9 569
Operating payments		
Payments to employees	174	217
Payments for goods and services	657	2 403
Grants and subsidies paid		
Current	184	184
Capital		
Interest paid	8 479	7 762
Income tax paid		344
Total operating payments	9 494	10 910
NET CASH FROM OPERATING ACTIVITIES	1 008	- 1 341
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from asset sales		
Repayment of advances	27 510	27 510
Sales of investments	9 300	12 750
Total investing receipts	36 810	40 260
Investing payments		
Purchases of assets		
Advances and investing payments	34 001	34 001
Total investing payments	34 001	34 001
NET CASH FROM INVESTING ACTIVITIES	2 809	6 259
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections	28 156	
Total financing receipts	28 156	
Financing payments		
Repayment of borrowings	25 897	6 180
Finance lease payments		
Dividends paid		402
Equity withdrawals		
Total financing payments	25 897	6 582
NET CASH FROM FINANCING ACTIVITIES	2 259	- 6 582
Net increase(+)/decrease(-) in cash held	6 076	- 1 664
Cash at beginning of financial year		6 076
CASH AT END OF FINANCIAL YEAR	6 076	4 412