

Section 3: Budgeted financial statements

BUDGETED FINANCIAL STATEMENTS

The following budgeted financial statements for the ATSSIS are presented in this section:

- Budgeted Departmental Statement of Financial Performance;
- Budgeted Departmental Statement of Financial Position;
- Budgeted Departmental Statement of Cash Flows;
- Departmental Capital Budget Statements;
- Departmental Non Financial Assets – Summary of Movement;
- Schedule of Budgeted Revenues and Expenses Administered on Behalf of Government;
- Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government;
- Schedule of Budgeted Administered Cash Flow; and
- Schedule of Administered Capital Budget.

Table 3.1: Budgeted Departmental Statement of Financial Performance
for the period ended 30 June

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government ^(K1)	-	168,165	170,214	170,994	170,224
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	275	274	3,375	3,475
Revenues from ordinary activities	-	168,440	170,488	174,369	173,699
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	-	77,943	80,163	82,443	82,109
Suppliers	-	78,394	80,746	83,173	82,737
Depreciation and amortisation	-	4,545	4,461	3,524	3,524
Expenses from ordinary activities (excluding borrowing costs expense)	-	160,882	165,370	169,140	168,370
Operating surplus or deficit from ordinary activities	-	7,558	5,118	5,229	5,329
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	-	7,558	5,118	5,229	5,329
Capital use charge paid*	-	-	-	-	-
Net surplus or deficit after capital use charge	-	7,558	5,118	5,229	5,329

(K1) Links to Table 1.1

*The Capital Use Charge has been abolished from 1 July 2003

Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
ASSETS					
Financial assets					
Cash	-	22,638	25,160	26,931	27,976
Receivables	-	14,536	17,706	20,876	24,046
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	-	37,174	42,866	47,807	52,022
Non-financial assets					
Land and buildings	-	45,830	45,830	45,830	45,830
Infrastructure, plant and equipment	-	13,947	13,947	13,947	13,947
Inventories	-	-	-	-	-
Intangibles	-	859	-	-	-
Other	-	394	394	394	394
Total non-financial assets	-	61,030	60,171	60,171	60,171
Total assets	-	98,204	103,037	107,978	112,193
LIABILITIES					
Debt					
Loans	-	-	-	-	-
Leases	-	3,020	2,020	1,020	-
Other	-	-	-	-	-
Total debt	-	3,020	2,020	1,020	-
Provisions					
Employees	-	22,912	23,627	24,339	24,245
Other	-	-	-	-	-
Payables					
Suppliers	-	1,352	1,352	1,352	1,352
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing Costs	-	-	-	-	-
Other	-	-	-	-	-
Total payables	-	24,264	24,979	25,691	25,597
Total liabilities	-	27,284	26,999	26,711	25,597
EQUITY					
Capital	-	-	-	-	-
Reserves	-	-	-	-	-
Accumulated surplus or deficits	-	70,920	76,038	81,267	86,596
Total equity	-	70,920	76,038	81,267	86,596
Total Liabilities and Equity	-	98,204	103,037	107,978	112,193
Current Liabilities	-	3,020	2,020	1,020	-
Non-current liabilities	-	24,264	24,979	25,691	25,597
Current assets	-	37,174	42,866	47,807	52,022
Non-current assets	-	61,030	60,171	60,171	60,171

Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and Services	-	-	-	-	-
Appropriations	-	168,165	170,214	170,994	170,224
Interest	-	-	-	-	-
Other	-	275	274	3,375	3,475
Total cash received	-	168,440	170,488	174,369	173,699
Cash used					
Employees	-	55,031	79,448	81,731	82,203
Suppliers	-	77,436	80,746	83,173	82,737
Grants	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	132,467	160,194	164,904	164,940
Net cash from/ (used by) operating activities	-	35,973	10,294	9,465	8,759
INVESTING ACTIVITIES					
Cash received					
Other cash received	-	1,783	-	-	-
Total cash received	-	1,783	-	-	-
Cash used					
Purchase of property, plant and equipment	-	3,602	3,602	3,524	3,524
Advances made	-	14,536	3,170	3,170	3,170
Total cash used	-	18,138	6,772	6,694	6,694
Net cash from/ (used by) investing activities	-	(16,355)	(6,772)	(6,694)	(6,694)
FINANCING ACTIVITIES					
Cash received					
Other	-	3,020	-	-	-
Total cash received	-	3,020	-	-	-
Cash used					
Repayment of borrowings	-	-	1,000	1,000	1,020
Total cash used	-	-	1,000	1,000	1,020
Net cash from/ (used by) financing activities	-	3,020	(1,000)	(1,000)	(1,020)
Net increase/(decrease) in cash held	-	22,638	2,522	1,771	1,045
Cash at the beginning of the reporting period	-	-	22,638	25,160	26,931
Cash at the end of the reporting period	-	22,638	25,160	26,931	27,976

Part C: AT SIS Budget Statements

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Represented by					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON CURRENT ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	-	3,602	3,602	3,524	3,524

Table 3.5: Departmental Non-financial Assets – Summary of Movement (Budget Year 2003-04)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	-	-	-	-	-	-	-
Additions	-	1,224	-	2,378	-	-	-	3,602
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	7,479	38,351	-	13,947	-	1,802	-	61,579
Depreciation/amortisation expense	-	1,224	-	2,378	-	943	-	4,545
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	7,479	38,351	-	13,947	-	859	-	60,636
Total additions								
Self funded	-	1,224	-	2,378	-	-	-	3,602
Appropriations	-	-	-	-	-	-	-	-
Total	-	1,224	-	2,378	-	-	-	3,602

Table 3.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government
for the period ended 30 June

	Estimated actual 2002-03 \$'000	Budget estimates 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
REVENUES					
Non-taxation (Revenues from Government)					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	5,000	4,600	1,600	-
Revenue from sale of assets	-	-	-	-	-
Total non-taxation	-	5,000	4,600	1,600	-
Total revenues administered on behalf of the Government	-	5,000	4,600	1,600	-
EXPENSES					
Grants	-	972,410	1,009,502	1,042,904	1,077,165
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Total expenses administered on behalf of the Government	-	972,410	1,009,502	1,042,904	1,077,165

Table 3.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government
as at 30 June

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
ASSETS					
Financial assets					
Cash	-	-	-	-	-
Receivables	-	13,700	27,400	41,100	54,800
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	-	13,700	27,400	41,100	54,800
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Other non-financial assets	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of the Government	-	13,700	27,400	41,100	54,800
LIABILITIES					
Total liabilities administered on behalf of the Government	-	-	-	-	-
EQUITY					
Accumulated Results	-	-	-	-	-
Reserves	-	-	-	-	-
Capital	-	13,700	27,400	41,100	54,800
Total equity	-	13,700	27,400	41,100	54,800

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Table 3.8: Schedule of Budgeted Administered Cash Flows
for the period ended 30 June

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	5,000	4,600	1,600	-
Total cash received	-	5,000	4,600	1,600	-
Cash used					
Employees	-	-	-	-	-
Grant payments	-	972,410	1,009,502	1,042,904	1,077,165
Cash to Official Public Account from - Appropriations	-	(967,410)	(1,004,902)	(1,041,304)	(1,077,165)
Total cash used	-	5,000	4,600	1,600	-
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Cash from Official Public Account	-	13,700	13,700	13,700	13,700
Other	-	-	-	-	-
Total cash received	-	13,700	13,700	13,700	13,700
Cash used					
Advances and loans made	-	13,700	13,700	13,700	13,700
Other	-	-	-	-	-
Total cash used	-	13,700	13,700	13,700	13,700
Net cash from/(used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Net cash from/(used by) financing activities					
	-	-	-	-	-
Net increase (decrease) in cash held					
	-	-	-	-	-
Cash at beginning of reporting period	-	-	-	-	-
Cash at end of reporting period	-	-	-	-	-

Table 3.9: Schedule of Administered Capital Budget

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
CAPITAL APPROPRIATIONS					
Administered capital ^(K4)	-	13,700	13,700	13,700	13,700
Total Capital Appropriation	-	13,700	13,700	13,700	13,700
Represented by:					
Purchase of non-current assets	-	-	-	-	-
Other	-	13,700	13,700	13,700	13,700
Total	-	13,700	13,700	13,700	13,700
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by Departmental resources	-	-	-	-	-

(K4) links to Table 1.1

NOTES TO THE FINANCIAL STATEMENTS

A new agency has been created under the *Public Service Act 1999* effective from 1 July 2003. Aboriginal and Torres Strait Islander Services (ATSIS) will include the majority of staff transferring from ATSIC. Some staff will remain in ATSIC to provide administrative support for the elected arm of ATSIC.

The majority of the funds currently appropriated through the Federal Budget will be appropriated to ATSIS for administration under the *Financial Management and Accountability Act 1997* (FMA Act). Previously these funds were appropriated to ATSIC.

The Housing and Regional Land Funds, which do not receive appropriation, will remain with ATSIC and be administered according to the provisions of the Act.

Departmental

1. ATSIS has budgeted for a small surplus in its initial year.
2. The largest creditor of ATSIS relates to provisions for long service and recreation leave transferred from ATSIC.
3. Resources provided free of charge from ATSIS to ATSIC such as financial and corporate services have not been included in these statements.
4. ATSIS receives the bulk of its revenue via appropriation from government.

Administered

1. Program activity previously reported in ATSIC as departmental outputs has now been reclassified as administered outputs in ATSIS.
2. ATSIS administered funding will be spent within communities or assisting communities via the payment of grants. Approximately 75 per cent of funding to communities relates to CHIP and CDEP. The balance of expenditure relates to the delivery of other programs.
3. ATSIS has budgeted for a positive operating result in order to fund the business loans advanced.

Departmental financial statements and schedule administered items

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and administered revenues include taxes, fees, fines and excises.

Appropriations in the accrual budgeting framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies;
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies;
- Administered expense appropriations: for the estimated administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in administered equity through funding non-expense administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

Capital Use Charge

The Government has agreed to discontinue the Capital Use Charge from 1 July 2003.

Asset valuation

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset.