

**TORRES STRAIT REGIONAL  
AUTHORITY**



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# TORRES STRAIT REGIONAL AUTHORITY

## Section 1: Overview, variations and measures

### **AGENCY OVERVIEW**

There have been no significant changes to TSRA's role/mission, outcomes and outputs structure and/or purchaser provider arrangements as a result of additional estimates.

### **ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES**

The total revised appropriations for TSRA in the 2003-04 Additional Estimates is \$51.1 million. This consists of:

- € \$51.1 million in departmental outputs appropriations (increase of \$0.1 million);  
and
- € \$9,000 in departmental equity injections (increase of \$9,000).

The total price of TSRA's departmental outputs for 2003-04 has increased from \$51.0 million to \$51.1 million. The \$0.1 million increase represents supplementary funding to be received through Appropriation Bill No. 3. The supplementation is to be received for the additional costs associated with the implementation of government measures announced since the 2003-04 Budget of \$0.1 million.

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## Measures

### Measures announced since the 2003-04 Budget

	2003-04 revised estimate \$'000	2004-05 forward estimate \$'000	2005-06 forward estimate \$'000	2006-07 forward estimate \$'000
<b>Departmental appropriations increase/(decrease)</b>				
<b>Outcome 1</b>				
<b>Bill 3</b>				
Budget estimates – enhanced quality and timeliness	71	67	65	62
<b>Bill 4</b>				
Budget estimates – enhanced quality and timeliness	9	-	-	-
<b>Measure increase/(decrease)</b>	<b>80</b>	<b>67</b>	<b>65</b>	<b>62</b>

### Other variations to appropriations

There are no other variations to appropriations as a result of additional estimates.

### Other variations

There are no other variations to revenues as a result of additional estimates.

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**Table 1.1.1: Appropriation Bill (No. 3) 2003-04**

	2002-03 available <sup>1</sup> \$'000	2003-04 budget \$'000	2003-04 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
To achieve a better quality of life and develop and economic base for Torres Strait Islander and Aboriginal persons living in the Torres Strait	50,169	50,963	51,034	71	-
<b>Total departmental</b>	<b>50,169</b>	<b>50,963</b>	<b>51,034</b>	<b>71</b>	<b>-</b>

**Table 1.1.2: Appropriation Bill (No. 4) 2003-04**

	2002-03 available <sup>1</sup> \$'000	2003-04 budget \$'000	2003-04 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL NON-OPERATING</b>					
Equity injections	-	-	9	9	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>9</b>	<b>-</b>

Note 1: 2002-03 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + Departmental Items/Adjustments and Borrowings (DIAB) + Advance from the Finance Minister (AFM) - Savings - Rephasings - Other Reductions.

**MEASURES — AGENCY SUMMARY**

**Table 1.2.1: Summary of expense measures since the 2003-04 Budget**

Measure	Outcome & Output	Appropriations 2003-04 (\$'000)			Appropriations 2004-05 (\$'000)			Appropriations 2005-06 (\$'000)			Appropriations 2006-07 (\$'000)		
		Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total
Budget estimates – enhanced quality and timeliness	1	-	71	71	-	67	67	-	65	65	-	62	62

**Table 1.2.2: Summary of capital measures since the 2003-04 Budget**

Measure	Outcome & Output	Appropriations 2003-04 (\$'000)			Appropriations 2004-05 (\$'000)			Appropriations 2005-06 (\$'000)			Appropriations 2006-07 (\$'000)		
		Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total	Admin capital	Dept capital	Total
Budget estimates – enhanced quality and timeliness	1	-	9	9	-	-	-	-	-	-	-	-	-

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## **VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED APPROPRIATION RECEIPTS**

There has been no significant change to receipts from independent sources as a result of additional estimates from figures published in the 2003-04 PBS. For this reason, table 1.3 is not presented.

## **ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS**

TSRA has no special appropriations. For this reason, table 1.4 is not presented.

## **ESTIMATED SPECIAL ACCOUNT FLOWS**

TSRA has no special accounts. For this reason, table 1.5 is not presented.

## **REVENUE FROM INDEPENDENT SOURCES**

There has been no significant change to revenue from independent sources as a result of additional estimates from figures published in the 2003-04 PBS. For this reason, table 1.6 is not presented.

## **SUMMARY OF STAFFING CHANGES**

Additional funding has been provided for an ongoing increase of 0.5 ASL to assist with the implementation of new government measures.

## **SUMMARY OF AGENCY SAVINGS**

TSRA has no agency savings to report as a result of additional estimates.



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## Section 2: Revisions to outcomes and outputs

### **OUTCOMES AND OUTPUT GROUPS**

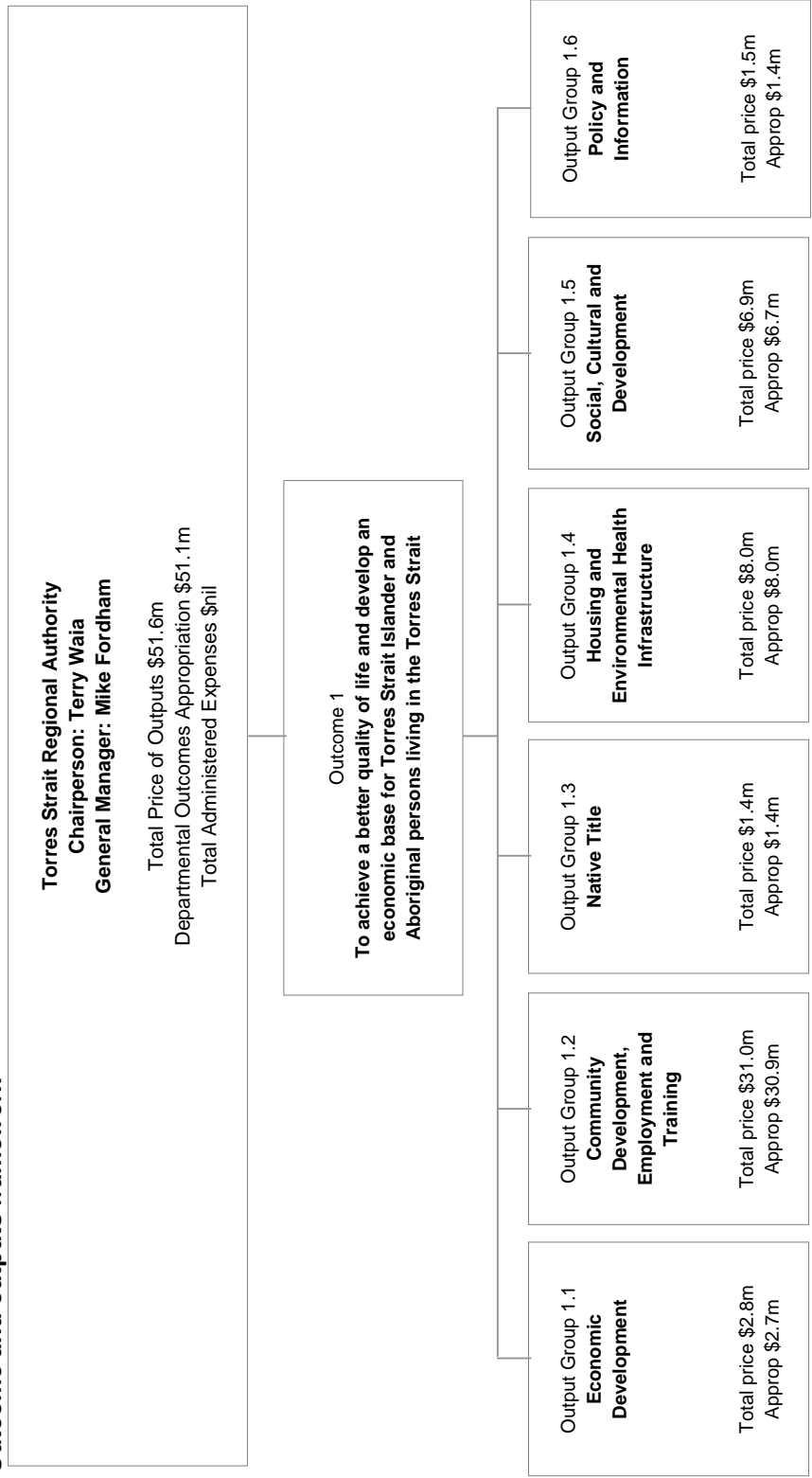
There have been no significant changes to the outcome and output groups as a result of additional estimates from those published within the 2003-04 PBS.

The relationship between the department's outcome and outputs is illustrated in the diagram on the following page.

### **OUTPUT COST ATTRIBUTION**

There is no change to the methodology described in the 2003-04 PBS for allocating overheads and other expenses to determine full price.

**Outcome and outputs framework**



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**OUTCOME 1 — TO ACHIEVE A BETTER QUALITY OF LIFE AND DEVELOP AN ECONOMIC BASE FOR TORRES STRAIT ISLANDER AND ABORIGINAL PERSONS LIVING IN THE TORRES STRAIT**

**Measures affecting Outcome 1**

*Budget estimates – enhanced quality and timeliness*

	2003-04	2004-05	2005-06	2006-07
Cross portfolio	6.1	1.4	0.8	0.2
<i>Related capital (\$m)</i>				
Cross portfolio	0.7	0.6	0.8	..

***Explanation***

The Government will provide additional funding to agencies of \$88.5 million over five years (including \$0.1 million in 2007-08) to implement the Budget Estimates and Framework Review (BEFR) recommendations. This funding includes capital of \$7.4 million over four years.

In the 2003-04 Budget the Government made provision for \$78 million over five years to improve the accuracy, responsiveness and effectiveness of agencies' contribution to the Commonwealth's budget estimates and framework system and to assist agencies to drive improved financial management and reporting within their organisations. The Government has provided an extra \$10.5 million over five years to fund agencies to implement the BEFR recommendations.

## Outcome 1 — Resourcing

**Table 2.1.1: Revised resources for Outcome 1**

	2002-03 available <sup>1</sup> \$'000	2003-04 budget \$'000	2003-04 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Output 1.1 - Economic Development	2,103	2,676	2,691	15	-
Output 1.2 - Community Development, Environmental and Training	29,807	30,866	30,883	17	-
Output 1.3 - Native Title	1,127	1,365	1,373	8	-
Output 1.4 - Housing and Environmental Health Infrastructure	8,683	7,984	7,992	8	-
Output 1.5 - Social, Cultural and Development	6,433	6,722	6,738	16	-
Output 1.6 - Policy and Information	2,016	1,350	1,357	7	-
<b>Total Output Group 1</b>	<b>50,169</b>	<b>50,963</b>	<b>51,034</b>	<b>71</b>	<b>-</b>
<b>Total revenue from government (appropriations)</b>	<b>50,169</b>	<b>50,963</b>	<b>51,034</b>	<b>71</b>	<b>-</b>
<b>Contributing to price of departmental outputs</b>	<b>98%</b>	<b>99%</b>	<b>99%</b>	<b>-</b>	<b>-</b>
<b>Revenue from other sources</b>					
Interest from deposits and loans	588	362	362	-	-
Other	437	230	230	-	-
<b>Total revenue from other sources</b>	<b>1,025</b>	<b>592</b>	<b>592</b>	<b>-</b>	<b>-</b>
<b>Total price from departmental outputs (Total revenue from government and from other sources)</b>	<b>51,194</b>	<b>51,555</b>	<b>51,626</b>	<b>71</b>	<b>-</b>
<b>Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)</b>	<b>51,194</b>	<b>51,555</b>	<b>51,626</b>	<b>71</b>	<b>-</b>

Note 1: 2002-03 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings - Rephasings - Other Reductions.

### **Explanation of variations**

The revised estimates to Outcome 1 departmental outputs comprise:

- € Funding through the government measure: *Budget estimates – enhanced quality and timeliness* of \$0.1 million.

### **Revised performance information and level of achievement – 2003-04**

There have been no significant changes to the performance information and level of achievement as a result of additional estimates from those published within the 2003-04 PBS. For this reason, table 2.2.1 is not presented.



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## Section 3: Budgeted financial statements

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

An analysis of the primary causes of movements from the financial statements published in the 2003-04 PBS is provided below.

#### **Departmental financial statements**

##### **Budgeted departmental statement of financial performance**

The major variations between actuals for 2002-03 and revised estimates for 2003-04 in the Statement of Financial Performance are as follows:

##### **Total revenue**

In 2003-04, total revenue (price of outputs) is expected to increase by \$0.1 million from the 2003-04 PBS estimates due to the increase in revenues from government as a result of new measure funding.

##### **Total expenses**

A net increase of expenditure of \$0.1 million is anticipated due to the impact of new measures.

##### **Budgeted departmental statement of financial position**

Departmental asset and liability balances have been adjusted from Budget estimates for 2002-03 financial year final balances. In addition, contributed equity and non-financial assets have increased due to the impact of new measures.

##### **Budgeted departmental statement of cash flows**

Predicted departmental cash flows have been adjusted to reflect the cash impact of the above variations to the financial performance and position statement estimates.

**Table 3.1: Budgeted departmental statement of financial performance**  
*for the year ended 30 June*

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2002-03	2003-04	2004-05	2005-06	2006-07
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUES</b>					
<b>Revenues from ordinary activities</b>					
Revenue from government	50,201	51,034	47,003	48,349	49,598
Interest	856	362	362	362	362
Other	882	230	230	230	230
<b>Revenues from ordinary activities</b>	<b>51,939</b>	<b>51,626</b>	<b>47,595</b>	<b>48,941</b>	<b>50,190</b>
<b>EXPENSES</b>					
<b>Expenses from ordinary activities</b>					
Employees	2,746	3,003	3,014	3,033	3,052
Suppliers	3,046	2,499	2,514	2,532	2,552
Grants	41,148	44,451	40,562	41,577	42,616
Depreciation and amortisation	367	474	482	482	483
Other	(393)	300	250	240	220
<b>Expenses from ordinary activities</b>	<b>46,914</b>	<b>50,727</b>	<b>46,822</b>	<b>47,864</b>	<b>48,923</b>
<b>Net surplus or deficit</b>	<b>5,025</b>	<b>899</b>	<b>773</b>	<b>1,077</b>	<b>1,267</b>
<b>Net surplus or deficit attributable to Commonwealth</b>	<b>5,025</b>	<b>899</b>	<b>773</b>	<b>1,077</b>	<b>1,267</b>

**Table 3.2: Budgeted departmental statement of financial position**  
*as at 30 June*

	Actual	Revised	Forward	Forward	Forward
	2002-03	budget	estimate	estimate	estimate
	2002-03	2003-04	2004-05	2005-06	2006-07
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	8,955	6,185	7,243	8,820	10,427
Receivables	7,519	7,555	7,005	6,465	5,945
<b>Total financial assets</b>	<b>16,474</b>	<b>13,740</b>	<b>14,248</b>	<b>15,285</b>	<b>16,372</b>
<b>Non-financial assets</b>					
Land and buildings	9,187	8,859	8,859	8,859	8,859
Infrastructure, plant and equipment	346	440	458	456	455
<b>Total non-financial assets</b>	<b>9,533</b>	<b>9,299</b>	<b>9,317</b>	<b>9,315</b>	<b>9,314</b>
<b>Total assets</b>	<b>26,007</b>	<b>23,039</b>	<b>23,565</b>	<b>24,600</b>	<b>25,686</b>
<b>LIABILITIES</b>					
<b>Provisions and payables</b>					
Employees	844	835	840	840	850
Suppliers	137	50	100	50	60
Grants	4,432	800	500	500	300
Other	148	-	-	-	-
<b>Total provisions and payables</b>	<b>5,561</b>	<b>1,685</b>	<b>1,440</b>	<b>1,390</b>	<b>1,210</b>
<b>Total liabilities</b>	<b>5,561</b>	<b>1,685</b>	<b>1,440</b>	<b>1,390</b>	<b>1,210</b>
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	19,357	20,265	21,038	22,118	23,395
Reserves	1,089	1,089	1,089	1,089	1,089
<b>Total parent equity interest</b>	<b>20,446</b>	<b>21,354</b>	<b>22,127</b>	<b>23,207</b>	<b>24,484</b>
<b>Total equity</b>	<b>20,446</b>	<b>21,354</b>	<b>22,127</b>	<b>23,207</b>	<b>24,484</b>
<b>Total assets and liabilities by maturity</b>					
<b>Current assets</b>	<b>11,777</b>	<b>7,875</b>	<b>10,677</b>	<b>11,069</b>	<b>11,819</b>
<b>Non-current assets</b>	<b>14,230</b>	<b>15,822</b>	<b>12,893</b>	<b>13,528</b>	<b>13,875</b>
<b>Current liabilities</b>	<b>4,836</b>	<b>664</b>	<b>272</b>	<b>251</b>	<b>251</b>
<b>Non-current liabilities</b>	<b>725</b>	<b>756</b>	<b>1,168</b>	<b>1,139</b>	<b>959</b>

**Table 3.3: Budgeted departmental statement of cash flows**  
for the year ended 30 June

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	50,169	51,035	47,003	48,349	49,607
Interest	556	362	362	362	362
Other	3,773	230	230	230	230
<b>Total cash received</b>	<b>54,498</b>	<b>51,627</b>	<b>47,595</b>	<b>48,941</b>	<b>50,199</b>
<b>Cash used</b>					
Employees	2,645	3,010	3,008	3,033	3,044
Suppliers	3,072	2,587	2,464	2,582	2,542
Grants	42,143	48,083	40,862	41,577	42,816
Other		148			
<b>Total cash used</b>	<b>47,860</b>	<b>53,828</b>	<b>46,334</b>	<b>47,192</b>	<b>48,402</b>
<b>Net cash from/(used by) operating activities</b>	<b>6,638</b>	<b>(2,201)</b>	<b>1,261</b>	<b>1,749</b>	<b>1,797</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayments of loans made	1,209	1,500	1,750	2,040	2,020
<b>Total cash received</b>	<b>1,209</b>	<b>1,500</b>	<b>1,750</b>	<b>2,040</b>	<b>2,020</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	677	542	753	712	712
Loans made	2,003	1,536	1,200	1,500	1,500
<b>Total cash used</b>	<b>2,680</b>	<b>2,078</b>	<b>1,953</b>	<b>2,212</b>	<b>2,212</b>
<b>Net cash from/(used by) investing activities</b>	<b>(1,471)</b>	<b>(578)</b>	<b>(203)</b>	<b>(172)</b>	<b>(192)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	9	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>					
<b>Net increase/(decrease) in cash held</b>	<b>5,167</b>	<b>(2,770)</b>	<b>1,058</b>	<b>1,577</b>	<b>1,605</b>
Cash at the beginning of the reporting period	5,570	8,955	6,185	7,243	8,820
<b>Cash at the end of the reporting period</b>	<b>8,955</b>	<b>6,185</b>	<b>7,243</b>	<b>8,820</b>	<b>10,425</b>

**Table 3.4: Departmental capital budget statement**

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	9	-	-	-
<b>Total</b>	-	<b>9</b>	-	-	-
<b>Represented by</b>					
Purchase of non-current assets	-	9	-	-	-
<b>Total</b>	-	<b>9</b>	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	-	9	-	-	-
Funded internally by departmental resources	-	472	500	480	480
<b>Total</b>	-	<b>481</b>	<b>500</b>	<b>480</b>	<b>480</b>

**Table 3.5: Departmental non-financial assets ∞ summary of movement**

revised budget 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	1,695	7,492	-	346	-	-	-	9,533
Additions	-	125	-	417	-	-	-	542
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	153	-	321	-	-	-	474
Write-off of assets	-	300	-	-	-	-	-	300
Carrying amount at the end of year	1,695	7,164	-	442	-	-	-	9,301
<b>Total additions</b>								
Self funded	-	125	-	408	-	-	-	533
Appropriations	-	-	-	9	-	-	-	9
<b>Total</b>	-	<b>125</b>	-	<b>417</b>	-	-	-	<b>542</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Basis of accounting**

The agency budget statements are prepared in compliance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

### **Section 4: Purchaser/provider and cost recovery arrangements**

There have been no significant changes to the purchaser/provider and cost recovery arrangements as a result of additional estimates from those published in the 2003-04 PBS.