

# TORRES STRAIT REGIONAL AUTHORITY

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## TORRES STRAIT REGIONAL AUTHORITY

### Section 1: Overview, appropriations and budget measures summary

#### AGENCY OVERVIEW

The functions of the Torres Strait Regional Authority (TSRA) as outlined in section 142A of the *Aboriginal and Torres Strait Islander Commission Act 1989* (ATSIC Act) are to:

- Recognise and maintain the special and unique *Ailan Kastom* of Torres Strait Islanders living in the Torres Strait area;
- Formulate and implement programs for Torres Strait Islanders and Aboriginal persons living in the Torres Strait area, including programs conducted by other bodies;
- Develop policy proposals to meet National, State and regional needs and priorities of Torres Strait Islanders and Aboriginal persons living in the Torres Strait area;
- Assist, advise and cooperate with Torres Strait Islander and Aboriginal communities, organisation, and individuals at National, State, Territory and regional levels;
- Advise the Minister for Immigration and Multicultural and Indigenous Affairs on:
  - Matters relating to Torres Strait Islander affairs and Aboriginal affairs in the Torres Strait area, including the administration of legislation, and
  - The coordination of activities of other Commonwealth bodies that affect Torres Strait Islanders or Aboriginal persons living in the Torres Strait area;
- When requested by the Minister, provide information or advice to the Minister on any matters specified by the Minister;
- Take reasonable action considered necessary to protect Torres Strait Islander and Aboriginal cultural material and information relating to the Torres Strait area if the material or information is considered sacred or otherwise significant by Torres Strait Islanders or Aboriginal persons;

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- At the request of, or with the agreement of, the Australian Bureau of Statistics but not otherwise, to collect and publish statistical information relating to Torres Strait Islanders and Aboriginal persons living in the Torres Strait area;
  - Such other functions as are conferred on the TSRA by the ATSIC or any other Act;
  - Such other functions as are expressly conferred on the TSRA by a law of a State or an internal Territory and in respect of which there is in force written approval by the Minister under section 142B;
  - To undertake such research as is necessary to enable the TSRA to perform any of its other functions; and
  - Do anything else that is incidental or conducive to the performance of any of the preceding functions.

The TSRA has only one planned outcome which is to *achieve a better quality of life and to develop an economic base for Torres Strait Islander and Aboriginal persons living in the Torres Strait.*

## **APPROPRIATIONS AND RESOURCING**

The total appropriation for the TSRA in the 2004-05 Budget is \$52.042 million. Table 1.1 shows the total appropriations for the TSRA for the 2004-05 financial year by price for the government's planned outcome.

**Table 1.1: Appropriations and other revenue**

Outcome	Departmental (price of outputs) ('\$000)					Administered (\$'000)				
	Revenue from government (appropriations)			Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)	Special appropriations <sup>(5)</sup>	Total administered appropriations	Total appropriations	
	Bill No. 1	Special approps <sup>(5)</sup>	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup>			
	(A)	(B)	(C = A+B) (C1) <sup>(1)</sup>	(D)	(E = C+D) (E1) <sup>(1)</sup>	(F)	(G)	(H)	(I = F+G+H) (I1) <sup>(1)</sup>	(J=C+I)
<b>Outcome 1</b> - To achieve a better quality of life and develop an economic base for Torres Strait Islander and Aboriginal persons living in the Torres Strait	52,042	-	52,042	592	52,634	-	-	-	-	52,042
			98.9%							
<b>Total</b>	<b>52,042</b>	-	<b>52,042</b>	<b>592</b>	<b>52,634</b>	-	-	-	-	<b>52,042</b>
			(K1) <sup>(1)</sup>						(K2) <sup>(1)</sup>	
								Departmental capital (equity injections and loans)	(K3) <sup>(1)</sup>	-
								Administered capital	(K4) <sup>(1)</sup>	-
								<b>Total appropriations</b>		<b>52,042</b>

1. Cells C1, E1 and I1 refer to information provided in Total Resources for Outcome tables. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.

2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.

4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are details in Appendix 1.

5. Estimated expenses from individual Special Appropriations are shown in Appendix 2.

Note: Percentage figures indicate the percentage contribution of revenue from government (departmental appropriations) to the total price of outputs, by outcome.

## MEASURES — AGENCY SUMMARY

**Table 1.2.1: Summary of expense measures disclosed in the 2004-05 Budget**

Measure	Outcome & Output	Appropriations budget 2004-05 (\$ million)			Appropriations forward estimate 2005-06 (\$ million)			Appropriations forward estimate 2006-07 (\$ million)			Appropriations forward estimate 2007-08 (\$ million)		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Torres Strait — Major Infrastructure Programme		-	5.3	5.3	-	5.4	5.4	-	5.4	5.4	-	5.4	5.4

**Table 1.2.2: Summary of capital measures disclosed in the 2004-05 Budget**

TSRA has no capital measures in the 2004-05 Budget. For this reason, table 1.2.2 is not presented.

## RECEIPTS FROM INDEPENDENT SOURCES

**Table 1.3: Receipts from independent sources**

	Estimated receipts 2003-04 \$'000	Estimated receipts 2004-05 \$'000
<b>DEPARTMENTAL</b>		
<b>Outcome 1</b>		
To achieve a better quality of life and develop an economic base for Torres Strait Islander and Aboriginal persons living in the Torres Strait	732	592
<b>Total</b>	<b>732</b>	<b>592</b>

## MOVEMENT OF ADMINISTERED FUNDS FROM 2003-04 TO 2004-05

TSRA has no administered funds. For this reason, table 1.4 is not presented.

## SPECIAL APPROPRIATIONS

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

## SPECIAL ACCOUNTS

TSRA has no special accounts. For this reason, table 1.6 is not presented.

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## REVENUE FROM INDEPENDENT SOURCES

**Table 1.7: Revenue from independent sources**

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
<b>DEPARTMENTAL REVENUE</b>		
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	732	592
<b>Total non-appropriation departmental revenue</b>	<b>732</b>	<b>592</b>

## ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

In 2004-05, TSRA is receiving a capital injection of \$23,000 for former years' appropriations. This represents funding for increases in the Comcover premium for 2003-04.

## EVALUATIONS

No evaluations are anticipated for TSRA in the 2004-05 budget year.

## COMPETITIVE TENDERING AND CONTRACTING (CTC)

TSRA is not undertaking any competitive tendering and contracting activities.

## Section 2: Outcomes and outputs information

### OUTCOMES AND OUTPUT GROUPS

The Torres Strait Regional Authority works towards achieving one outcome specified by Australian Government which is *to achieve a better quality of life and to develop an economic base for Torres Strait Islander and Aboriginal persons living in the Torres Strait*. The following section provides a departmental overview, and that outcome is discussed. The relationship between the outcome and the administered programs and outputs that contribute to it is illustrated in the diagram on the following page.

### Output cost attribution

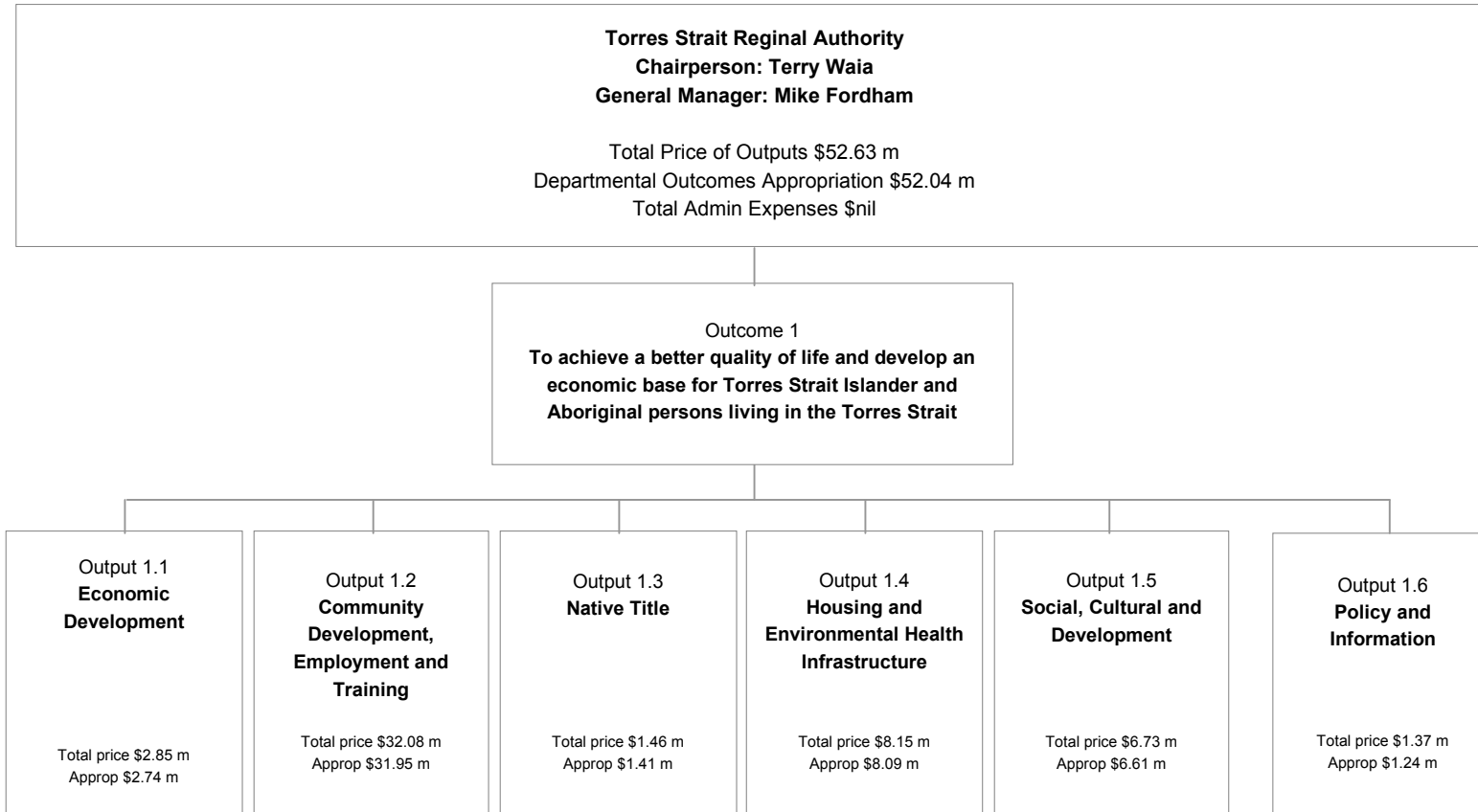
The full price of each TSRA output is determined using the following general methodology:

- Any costs which can be directly attributed to an output area are costed completely to that output;
- Any remaining costs which cannot be fully attributed to any one particular output are attributed to each output on a percentage basis. This percentage is arrived at by assessing the relative usage, by each output, of unattainable costs; and
- In calculating relative usage percentage, factors which are taken into account include:
  - an assessment of the administration resources consumed in the delivery of the output,
  - the extent to which direct costs can be attributed to the output,
  - the number of employees directly involved in delivery of the output,
  - number of employees involved in delivering more than one output,
  - measures of the delivery of the output such as total funds expended, and
  - number of clients serviced.

### CHANGES TO OUTCOME AND OUTPUTS

TSRA has had no change to the number, wording or structure of its outputs since the 2003-04 Budget.

**Map 2: Outcomes and output groups**



**OUTCOME 1 — CONTRIBUTING TO AUSTRALIA'S SOCIETY AND ITS ECONOMIC ADVANCEMENT THROUGH THE LAWFUL AND ORDERLY ENTRY AND STAY OF PEOPLE**

**Measures affecting Outcome 1**

*Torres Strait — Major Infrastructure Programme*

	2004-05	2005-06	2006-07	2007-08
<i>Expense (\$m)</i>				
TSRA	5.3	5.4	5.5	-

*Measure details*

The Government will provide additional funding of \$16.2 million over three years to complete the Major Infrastructure Programme. The programme aims to raise the health and living standards of Torres Strait Islander and Aboriginal persons residing in the Torres Strait region through a set of infrastructure-related projects to improve basic community services, such as: water supply and treatment augmentation; reticulated sewerage and treatment; and solid waste disposal.

This measure represents the third stage of the Australian and Queensland Governments' jointly funded Major Infrastructure Programme for the Torres Strait, which began in 1998. Funding is subject to agreement by the Queensland Government to provide matching funding.

## OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004-05 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1** and **E1** show the links back to Table 1.1 (the *Appropriations and Other Revenue* Table for the Agency).

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	
<b>DEPARTMENTAL OUTPUTS</b>			
<b>Outcome 1</b>			
Output 1.1 - Economic Development	2,688	2,744	
Output 1.2 - Community Development, Employment and Training	30,882	31,948	
Output 1.3 - Native Title	1,372	1,405	
Output 1.4 - Housing and Environmental Health Infrastructure	7,990	8,094	
Output 1.5 - Social, Cultural and Development	6,735	6,613	
Output 1.6 - Policy and Information	1,367	1,237	
<b>Total Output Group 1</b>	<b>51,034</b>	<b>52,042</b>	
<b>Total revenue from government (appropriations)</b>	<b>51,034</b>	<b>52,042</b>	C1 <sup>1</sup>
<b>Contributing to price of departmental outputs</b>	<b>99%</b>	<b>99%</b>	
<b>Revenue from other sources</b>			
Output 1.1 - Economic Development	124	101	
Output 1.2 - Community Development, Employment and Training	161	130	
Output 1.3 - Native Title	73	59	
Output 1.4 - Housing and Environmental Health Infrastructure	66	53	
Output 1.5 - Social, Cultural and Development	139	112	
Output 1.6 - Policy and Information	169	137	
<b>Total revenue from other sources</b>	<b>732</b>	<b>592</b>	
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	<b>51,766</b>	<b>52,634</b>	E1
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations)	<b>51,766</b>	<b>52,634</b>	
	Estimated actual 2003-04 (number)	Budget estimate 2004-05 (number)	
Average staffing level	48	48	

Cell references **C1** and **E1** show the links back to Table 1.1

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## **OUTCOME 1 — CONTRIBUTION OF OUTPUTS**

This outcome will be attained through the ongoing completion of six specific outputs, as follows:

### **Output group 1.1: *Economic Development***

The *Economic Development* output, through the development of business enterprises, land acquisition and management, together with appropriate education and training, aims to enhance opportunities for employment, land ownership and sustainable self-sufficiency.

### **Output group 1.2: *Community Development, Employment and Training***

Approximately 1,955 eligible persons will be participating in the Community Development Employment Program (CDEP) in 2004-05 under the *Community Development Employment and Training* output. The quality of life of people living in the Torres Strait communities will be improved by community projects undertaken by the CDEP, which will also ensure the maintenance of a certain level of income for the participants to the program.

### **Output group 1.3: *Native Title***

The objective of the *Native Title* output is to achieve maximum recognition of the Torres Strait Islander and Aboriginal persons' indigenous rights in land and sea under the *Native Title Act 1993 (Commonwealth)* and to represent native title holders in dealings that will impact upon their native title rights, in accordance with the *Native Title Act 1993 (Commonwealth)* and the TSRA Native Title Strategic Plan 2001-04. The TSRA is the Native Title Representative Body of the region.

### **Output group 1.4: *Housing and Environment Health Infrastructure***

The *Housing and Environmental Health Infrastructure* output aims to increase the number of Torres Strait Islander and Aboriginal persons in the area with access to adequate housing, infrastructure facilities and essential municipal services, consistent with and appropriate to their needs. The output also aims to improve the health standards of the Indigenous population of the Torres Strait region by providing appropriate and sustainable infrastructure, as well as ensuring that adequate environmental health programs are implemented.

### **Output group 1.5: *Social, Cultural and Development***

The *Social, Cultural and Development* output aims to improve the social, emotional and cultural well being of Torres Strait Islander and Aboriginal persons. This aim will be achieved by preserving their cultural heritage and integrity, improving access to human and legal services, providing and improving community infrastructure and providing opportunities to engage in international issues impacting on indigenous people worldwide.

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### **Output group 1.6: *Policy and Information***

The *Policy and Information* output aims to:

- provide participation in the development of regional policies and planning and coordination of initiatives undertaken by mainstream Commonwealth and State agencies to achieve a better outcome for Torres Strait Islander and Aboriginal people living in the region;
- coordinate the TSRA Board input into the formulation of policies;
- develop and maintain the Torres Strait Development Plan as required by Section 142D of the ATSIC Act and to assist in the review of the TSRA's Corporate documents;
- provide secretariat support and advice to the TSRA Board Members, as well as executive support to the Chairperson, Portfolio Members and General Manager;
- arrange TSRA Board Meetings and coordinate Chairperson, TSRA Members and General Manager's attendance at various forum and conferences as required;
- provide information to the public through the publication of newsletters, pamphlets, press releases and other multi media materials as well as coordinate TSRA input into radio and television programs.

## OUTCOME 1 — PERFORMANCE INFORMATION

**Table 2.2.1: Performance information for Outcome 1**

### Effectiveness — overall achievement of the outcome

#### Output 1.1 — Economic Development

##### Effectiveness

- Provide 20-30 loans to establish or expand businesses, maintaining a business loan portfolio of 130
- Provide 7 grants/loans to communities in order to establish viable business enterprises
- Maintain the Housing Loan portfolio at 40 loans with a total holding value of \$4.5 million

#### Output 1.2 — Community Development, Employment and Training

##### Effectiveness

- Ensure that the programs are working effectively by scheduling community visitations at least three times a year, ensure Commonwealth/State coordination of training programs are closely monitoring planning, financial and performance returns.
- Verifying the eligibility of 1,955 participants to the CDEP program.

#### Output 1.3 — Native Title

##### Effectiveness

- Remaining Land Claims and Torres Strait Regional Sea Claim to be progressed towards determination.
- Assist Native Title holders in the resolution of land management matters in accordance with the TSRA Native Title Office Strategic Plan 2001-2004.

#### Output 1.4 — Housing and Environmental Health Infrastructure

##### Effectiveness

- Improve communities housing and environmental health by providing financial assistance to the communities through the joint Commonwealth/State MIP, and other programs funded by the TSRA.

#### Output 1.5 — Social Cultural and Development

##### Effectiveness

- Provide assistance to the communities to promote and improve their physical, social and cultural wellbeing.

#### Output 1.6 — Policy and Information

##### Effectiveness

- To provide secretariat support and advice to the TSRA Board, and executive support to the Chairperson, Portfolio Members and General Manager.
- To provide policy advice to the Board, and to impact on the policies of other government agencies and organisations which have an effect on the TSRA outcome.
- To supply and monitor public information related to the outcome, and coordinate the TSRA public relations efforts.

**Table 2.2.1: Performance information for Outcome 1 (continued)**

<b>Performance information for departmental outputs</b>	
<b>Output Group 1.1 — Economic Development</b>	<b>\$2.8 million</b>
Quantity:	
New contracts	30-40
Average per loan	\$50,000
Community Development grants / loans	7
Housing loans	5
Quality:	
75% of loan contracts settled with one month and 20% within two months.	
<b>Output Group 1.2 — Community Development, Employment and Training</b>	<b>\$32.1 million</b>
Quantity:	
Communities to be on CDEP	18
Training Programs to be funded	25
Quality:	
90% of CDEP Communities comply with guidelines	
85% of targeted training delivered within the financial year	
<b>Output Group 1.3 — Native Title</b>	<b>\$1.5 million</b>
Quantity:	
Remaining land claims under the <i>Native Title Act 1993</i> (Commonwealth) to be progressed towards determination.	
Torres Strait Regional Sea Claim to be progressed towards determination.	
Quality:	
Inquiries dealt with in accordance with the TSRA Native Title Office Strategic Plan 2001-2004.	

**Table 2.2.1: Performance information for Outcome 1 (continued)**

<b>Performance information for departmental outputs</b>	
<b>Output Group 1.4 — Housing and Environmental Health Infrastructure</b>	<b>\$8.2 million</b>
Quantity:	
Horn Island and Seisa Community sewerage projects to be completed, total value of approximately \$6.54 million, by 30 June 2005.	
Residential sub-division servicing works at six communities to be completed by 30 June 2005. Various other water upgrade and flood mitigation works to be completed.	
Quality:	
Infrastructure projects commenced in 2003-04 year to be 90% completed by 30 June 2004.	
<b>Output Group 1.5 — Social Cultural and Development</b>	<b>\$6.7 million</b>
Quantity:	
25 grants will be approved in the financial year.	
Quality:	
Approved grants for approval projects will be funded within 28 days of the commencement of the financial year.	
<b>Output Group 1.6 — Policy and Information</b>	<b>\$1.4 million</b>
Quantity:	
Publications produced	14
Ministerials	30
Queries / correspondence attended	100
Fewer than 5 complaints from TSRA clients	
Quality:	
95 % of Ministerial Correspondence dealt with within the due date (14 days or 21 days)	
98% of TSRA Board Members and Portfolio Members inquiries responded within 14 days	
98% of inquiries from the public responded to within 14 days	

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## Section 3: Budgeted financial statements

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

An analysis of the primary causes of movements in the financial statements is provided below.

### **DEPARTMENTAL FINANCIAL STATEMENTS**

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

This statement provides a picture of the expected financial results for the TSRA by identifying full accrual expenses and revenues, which highlights whether the TSRA is operating at a sustainable level.

The major variations between estimated actuals for 2003-04 and revised estimates for 2004-05 in the Statement of Financial Performance are as follows:

In 2004-05, total revenue (price of outputs) is expected to increase by 1.68% from the 2003-04 PBS estimates due to the increase in revenues from government as a result of new measure funding. A net increase of expenditure of 1.08% is anticipated due to the impact of new measures.

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

This statement shows the financial position of the TSRA. It helps decision-makers to track the management of assets and liabilities.

Departmental asset and liability balances have been adjusted from Budget estimates for 2003-04 financial year balances. In addition, contributed equity and non-financial assets have increased due to the impact of new measures.

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

Budgeted cash flows, as reflected in the statement of cash flows, provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

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

**Departmental capital budget statement**

This statement shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded through capital appropriations for additional equity or borrowings, or from funds from internal sources.

In 2004-05, TSRA is receiving a capital injection of \$23,000 for former years' appropriations. This represents funding for increases in the Comcover premium for 2003-04.

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
<b>REVENUES</b>					
<b>Revenues from ordinary activities</b>					
Revenue from government <sup>K1</sup>	51,034	52,042	53,712	54,653	50,465
Goods and services	332	230	230	230	230
Interest	400	362	362	362	362
<b>Revenues from ordinary activities</b>	<b>51,766</b>	<b>52,634</b>	<b>54,304</b>	<b>55,245</b>	<b>51,057</b>
<b>EXPENSES</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	3,246	3,014	3,033	3,052	3,074
Suppliers	3,854	2,537	2,532	2,552	2,565
Grants	43,734	45,862	46,977	48,116	42,500
Depreciation and amortisation	472	400	400	400	400
Other	200	250	240	220	220
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>51,506</b>	<b>52,063</b>	<b>53,182</b>	<b>54,340</b>	<b>48,759</b>
<b>Net surplus or deficit</b>	<b>260</b>	<b>571</b>	<b>1,122</b>	<b>905</b>	<b>2,298</b>
<b>Net surplus or deficit attributable to the Commonwealth</b>	<b>260</b>	<b>571</b>	<b>1,122</b>	<b>905</b>	<b>2,298</b>

(K1) links to table 1.1

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	4,751	3,109	4,741	6,099	8,821
Receivables	7,019	7,007	6,457	5,894	5,335
<b>Total financial assets</b>	<b>11,770</b>	<b>10,116</b>	<b>11,198</b>	<b>11,993</b>	<b>14,156</b>
<b>Non-financial assets</b>					
Land and buildings	11,812	11,514	11,214	10,916	10,626
Infrastructure, plant and equipment	749	1,067	1,387	1,705	2,130
<b>Total non-financial assets</b>	<b>12,561</b>	<b>12,581</b>	<b>12,601</b>	<b>12,621</b>	<b>12,756</b>
<b>Total assets</b>	<b>24,331</b>	<b>22,697</b>	<b>23,799</b>	<b>24,614</b>	<b>26,912</b>
<b>LIABILITIES</b>					
<b>Provisions and payables</b>					
Employees	835	840	850	850	850
Suppliers	80	80	50	60	60
Grants	2,500	500	500	400	400
Other	210	-	-	-	-
<b>Total provisions and payables</b>	<b>3,625</b>	<b>1,420</b>	<b>1,400</b>	<b>1,310</b>	<b>1,310</b>
<b>Total liabilities</b>	<b>3,625</b>	<b>1,420</b>	<b>1,400</b>	<b>1,310</b>	<b>1,310</b>
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	19,617	20,188	21,310	22,215	24,513
Reserves	1,089	1,089	1,089	1,089	1,089
<b>Total parent equity interest</b>	<b>20,706</b>	<b>21,277</b>	<b>22,399</b>	<b>23,304</b>	<b>25,602</b>
<b>Total equity</b>	<b>20,706</b>	<b>21,277</b>	<b>22,399</b>	<b>23,304</b>	<b>25,602</b>
<b>Total assets and liabilities by maturity</b>					
<b>Current assets</b>	<b>4851</b>	<b>3,209</b>	<b>4,841</b>	<b>6,199</b>	<b>8,921</b>
<b>Non-current assets</b>	<b>19,480</b>	<b>19,488</b>	<b>18,958</b>	<b>18,415</b>	<b>17,991</b>
<b>Current liabilities</b>	<b>2,747</b>	<b>748</b>	<b>720</b>	<b>630</b>	<b>630</b>
<b>Non-current liabilities</b>	<b>878</b>	<b>672</b>	<b>680</b>	<b>680</b>	<b>680</b>

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	51,025	52,019	53,712	54,653	50,465
Interest	400	362	362	362	362
Other	332	230	230	230	230
<b>Total cash received</b>	<b>51,757</b>	<b>52,611</b>	<b>54,304</b>	<b>55,245</b>	<b>51,057</b>
<b>Cash used</b>					
Employees	3,255	3,009	3,023	3,052	3,074
Suppliers	3,911	2,514	2,562	2,542	2,565
Grants	45,666	47,862	46,977	48,216	42,500
Other	138	460	240	220	220
<b>Total cash used</b>	<b>52,970</b>	<b>53,845</b>	<b>52,802</b>	<b>54,030</b>	<b>48,359</b>
<b>Net cash from/(used by) operating activities</b>	<b>(1,213)</b>	<b>(1,234)</b>	<b>1,502</b>	<b>1,215</b>	<b>2,698</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayments of loans made	500	12	550	563	559
<b>Total cash received</b>	<b>500</b>	<b>12</b>	<b>550</b>	<b>563</b>	<b>559</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	3,500	420	420	420	535
<b>Total cash used</b>	<b>3,500</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>535</b>
<b>Net cash from/(used by) investing activities</b>	<b>(3,000)</b>	<b>(408)</b>	<b>130</b>	<b>143</b>	<b>24</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	9	-	-	-	-
<b>Total cash received</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash held</b>	<b>(4,204)</b>	<b>(1,642)</b>	<b>1,632</b>	<b>1,358</b>	<b>2,722</b>
Cash at the beginning of the reporting period	8,955	4,751	3,109	4,741	6,099
Effect of exchange rate movements on cash at the beginning of the reporting period					
<b>Cash at the end of the reporting period</b>	<b>4,751</b>	<b>3,109</b>	<b>4,741</b>	<b>6,099</b>	<b>8,821</b>

**Table 3.4: Departmental capital budget statement**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	9	23	-	-	-
Total loans	-	-	-	-	-
<b>Total</b>	<b>9</b>	<b>23</b>	-	-	-
<b>Represented by</b>					
Purchase of non-current assets	9	-	-	-	-
Other	-	23	-	-	-
<b>Total</b>	<b>9</b>	<b>23</b>	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	9	-	-	-	-
Funded by previous year capital appropriation	-	-	-	-	-
Funded internally by departmental resources	500	420	420	420	535
<b>Total</b>	<b>509</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>535</b>

**Table 3.5: Departmental non-financial assets — summary of movement***Budget 2004-05*

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	<b>\$'000</b>
Carrying amount at the start of year	1,695	10,117	-	749	-	-	-	<b>12,561</b>
Additions	-	-	-	420	-	-	-	<b>420</b>
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	300	-	100	-	-	-	<b>400</b>
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	1,695	9,817	-	1,069	-	-	-	<b>12,581</b>
<b>Total additions</b>								
Self funded	-	-	-	420	-	-	-	<b>420</b>
Appropriations	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>420</b>	-	-	-	<b>420</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.

### **Departmental financial statements and schedule to administered activity**

Under the Australian Government's accrual-based 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.

TSRA has no administered items.

### **Appropriations in the accrual budgeting framework**

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

- departmental price of outputs appropriations: representing the government's funding 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).

### **Administered investments in controlled entities**

Each Commonwealth Department is required to show an Administered investment in each *Commonwealth Authority and Company (CAC) Act 1997* entity within their portfolio. These Administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

### **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.

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

The TSRA has no purchaser/provider or cost recovery arrangements.

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