
Section 5: Budgeted financial statements

5.1 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Pending the transfer of departmental appropriations to effect the AAO of 27 January 2006, the budgeted financial statements for the department incorporate indicative estimates of the proposed appropriations transfer in May 2006.

The budgeted departmental balance sheet shows the estimated impact of the transfer of Indigenous Affairs. This includes transfers (decreases) in appropriations receivable, non-financial assets (including Land and Buildings, Infrastructure, Plant and Equipment, and Intangibles) relating to the Indigenous Affairs function, as well as a reduction in employee provisions which reflect the movement of staff from the Office of Indigenous Policy Co-ordination to FaCSIA. The reduction of the departmental Indigenous Affairs appropriations to DIMA is matched with proportional decreases in departmental expenses in the budgeted departmental income statement.

The reduction in suppliers expenses previously budgeted for Indigenous Affairs is netted by some increases in other departmental activities. These relate to new measures announced as part of Budget 2006-07. Refer to Table 2.2.2 for further details.

On behalf of the government, DIMA will continue to administer activities associated with Outcomes 1 and 2. The AAO effected the transfer of the Indigenous Affairs Special Accounts at 27 January 2006. This transfer removed all, or a portion of, administered investments, interest revenue, gains from the sale of investments, and grants expense estimates. The transfer of Outcome 3 administered programmes' appropriations, effective 1 March 2006, has also resulted in a reduction in grants expenses estimates for the remainder of the 2005-06 year, and onwards.

Both administered and departmental statements of cash flow reflect the impact resulting from changes to the above business activities.

5.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 5.1: Budgeted departmental income statement for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
INCOME					
Revenue					
Revenues from Government	1,033,654	1,148,900	1,147,672	1,150,867	1,176,848
Goods and services	39,506	33,801	33,913	29,997	38,810
Other	22,919	18,737	19,046	22,181	12,518
Total revenue	1,096,079	1,201,438	1,200,631	1,203,045	1,228,176
Gains					
Net foreign exchange gains	10	10	10	10	10
Other	3,843	1,193	1,193	1,193	1,193
Total gains	3,853	1,203	1,203	1,203	1,203
Total income	1,099,932	1,202,641	1,201,834	1,204,248	1,229,379
EXPENSE					
Employees	427,960	449,495	442,224	437,861	436,342
Suppliers	637,532	694,711	678,389	671,689	695,900
Depreciation and amortisation	41,895	60,061	72,085	81,653	85,092
Write-down of assets and impairment of assets	11,835	11,835	13,335	12,335	11,335
Other	42	42	42	42	42
Borrowing costs expenses	668	668	668	668	668
Total expenses	1,119,932	1,216,812	1,206,743	1,204,248	1,229,379
Operating result from continuing operations	(20,000)	(14,171)	(4,909)	-	-
Net surplus or (deficit) attributable to the Australian Government	(20,000)	(14,171)	(4,909)	-	-

**Table 5.2: Budgeted departmental balance sheet
as at 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
ASSETS					
Financial assets					
Cash	16,000	16,000	16,000	16,000	16,000
Receivables	113,656	109,938	132,310	170,954	209,807
Accrued revenues	1,644	1,644	1,644	1,644	1,644
Total financial assets	131,300	127,582	149,954	188,598	227,451
Non-financial assets					
Land and buildings	205,966	379,365	379,522	372,332	521,031
Infrastructure, plant and equipment	55,004	205,247	214,841	218,376	222,938
Inventories	64	64	64	64	64
Intangibles	64,272	130,966	142,768	136,611	121,011
Other non-financial assets	15,089	15,089	15,089	15,089	15,089
Total non-financial assets	340,395	730,731	752,284	742,472	880,133
Total assets	471,695	858,313	902,238	931,070	1,107,584
LIABILITIES					
Interest bearing liabilities					
Leases	8,605	26,930	24,475	24,475	24,475
Other interest bearing liabilities	9,187	9,187	9,187	9,187	9,187
Total interest bearing liabilities	17,792	36,117	33,662	33,662	33,662
Provisions					
Employees	132,306	132,870	135,616	135,616	135,616
Other provisions	7,632	7,632	7,632	7,632	7,632
Total provisions	139,938	140,502	143,248	143,248	143,248
Payables					
Suppliers	18,616	18,616	18,616	18,616	18,616
Other payables	60,087	60,087	60,087	60,087	60,087
Total payables	78,703	78,703	78,703	78,703	78,703
Total liabilities	236,433	255,322	255,613	255,613	255,613
EQUITY*					
Parent entity interest					
Contributed equity	163,787	545,687	594,230	623,062	799,576
Reserves	43,925	43,925	43,925	43,925	43,925
Retained surpluses or accumulated deficits	27,550	13,379	8,470	8,470	8,470
Total parent entity interest	235,262	602,991	646,625	675,457	851,971
Total equity	235,262	602,991	646,625	675,457	851,971
Current assets	146,453	142,735	165,107	203,751	242,604
Non-current assets	325,242	715,578	737,131	727,319	864,980
Current liabilities	148,221	154,924	155,262	155,262	155,262
Non-current liabilities	88,212	100,398	100,351	100,351	100,351

*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	31,634	26,116	24,762	25,868	30,612
Appropriations	1,174,275	1,244,014	1,216,696	1,203,619	1,229,391
Interest					
GST received from ATO	40,902	43,560	43,573	43,573	43,573
Other	25,222	20,910	21,049	20,011	14,855
Total cash received	1,272,033	1,334,600	1,306,080	1,293,071	1,318,431
Cash used					
Employees	407,700	449,883	440,453	438,852	440,942
Suppliers	708,003	737,887	719,546	715,679	737,470
Transfer to the Official Public Account	91,421	91,396	91,396	91,396	91,396
GST paid to ATO	1,521	1,521	1,521	1,521	1,521
Other	3,842	6,322	8,069	2,614	863
Total cash used	1,212,487	1,287,009	1,260,985	1,250,062	1,272,192
Net cash from or (used by) operating activities	59,546	47,591	45,095	43,009	46,239
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	77,507	163,756	91,638	71,841	66,033
Other	-	-	-	-	-
Total cash used	77,507	163,756	91,638	71,841	66,033
Net cash from or (used by) investing activities	(77,507)	(163,756)	(91,638)	(71,841)	(66,033)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	35,983	116,165	46,543	28,832	19,794
Total cash received	35,983	116,165	46,543	28,832	19,794
Cash used					
Other	18,328	-	-	-	-
Total cash used	18,328	-	-	-	-
Net cash from/(used by) financing activities	17,655	116,165	46,543	28,832	19,794
Net increase or (decrease) in cash held	(306)	-	-	-	-
Cash at the beginning of the reporting period	16,306	16,000	16,000	16,000	16,000
Cash at the end of the reporting period	16,000	16,000	16,000	16,000	16,000

Table 5.4: Departmental statement of changes in equity — summary of movement (Budget 2006-07)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2006					
Balance carried forward from previous period	27,550	43,925	-	163,787	235,262
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	27,550	43,925	-	163,787	235,262
Income and expense					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
Sub-total income and expense	-	-	-	-	-
Net operating result	(14,171)	-	-	-	(14,171)
Total income and expenses recognised directly in equity	(14,171)	-	-	-	(14,171)
Transactions with owners					
<i>Distribution to owners</i>					
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	116,165	116,165
Other:					
Restructuring	-	-	-	265,735	265,735
Sub-total transactions with owners	-	-	-	381,900	381,900
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2007	13,379	43,925	-	545,687	602,991

Table 5.5: Departmental capital budget statement

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	35,983	116,165	46,543	28,832	19,794
Total loans	-	-	-	-	-
Total capital appropriations	35,983	116,165	46,543	28,832	19,794
Represented by:					
Purchase of non-financial assets	35,983	116,165	46,543	28,832	19,794
Other	-	-	-	-	-
Total represented by	35,983	116,165	46,543	28,832	19,794
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	35,983	116,165	46,543	28,832	19,794
Funded internally by					
Departmental resources	41,524	47,591	45,095	43,009	46,239
Total	77,507	163,756	91,638	71,841	66,033

Table 5.6: Departmental property, plant, equipment and intangibles - summary of movement (Budget year 2006-07)

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2006					
Gross book value	42,617	206,824	77,098	151,879	478,418
Accumulated depreciation	-	43,475	22,094	87,607	153,176
Opening net book value	42,617	163,349	55,004	64,272	325,242
Additions:					
by purchase	511	25,090	40,710	97,445	163,756
by finance lease	-	-	20,906	-	20,906
operations (including restructuring)	-	166,722	99,013	-	265,735
Depreciation/amortisation expense	-	18,924	10,386	30,751	60,061
Other movements	-	-	-	-	-
Disposals:					
other disposals	-	-	-	-	-
As at 30 June 2007	43,128	336,237	205,247	130,966	715,578
Gross book value	43,128	398,636	237,727	249,324	928,815
Accumulated depreciation	-	62,399	32,480	118,358	213,237
Estimated closing net book value	43,128	336,237	205,247	130,966	715,578

Table 5.7: Schedule of budgeted income and expenses administered on behalf of government for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Goods and services	525,413	564,199	527,005	576,699	577,681
Interest	61,240	-	-	-	-
Other sources of non-taxation revenues	50,055	36,438	41,196	42,213	42,713
Total non-taxation	636,708	600,637	568,201	618,912	620,394
Total revenues administered on behalf of Government	636,708	600,637	568,201	618,912	620,394
Gains					
Net gains from sale of assets	70,389	-	-	-	-
Total gains administered on behalf of Government	70,389	-	-	-	-
Total income administered on behalf of Government	707,097	600,637	568,201	618,912	620,394
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	82,916	31,090	36,703	37,564	38,448
Subsidies	7,130	7,293	7,383	7,453	7,581
Personal benefits	3,697	4,716	4,288	3,827	3,900
Suppliers	189,874	195,552	189,511	191,158	186,874
Depreciation and amortisation					
Write down and impairment of assets	38,801	24,215	27,784	28,784	29,284
Finance costs	-	-	-	-	-
Other	26,000	-	-	-	-
Total expenses administered on behalf of Government	348,418	262,866	265,669	268,786	266,087

Table 5.8: Schedule of budgeted assets and liabilities administered on behalf of government as at 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash	4,758	2,658	7,658	7,658	7,658
Receivables	18,522	18,523	18,523	16,523	16,523
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Accrued revenues	8,408	3,408	3,408	108	108
Total financial assets	31,688	24,589	29,589	24,289	24,289
Non-financial assets					
Other	439	439	439	439	439
Total non-financial assets	439	439	439	439	439
Total assets administered on behalf of Government	32,127	25,028	30,028	24,728	24,728
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	16,350	16,350	16,350	16,350	16,350
Other payables	18,026	18,026	18,026	18,026	18,026
Total payables	34,376	34,376	34,376	34,376	34,376
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of Government	34,376	34,376	34,376	34,376	34,376

Table 5.9: Schedule of budgeted administered cash flows for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
GST received from ATO	19,760	20,067	20,022	20,022	20,022
Sales of goods	627,557	634,537	586,494	615,908	643,435
Interest	52,125	-	-	-	-
Other	9,562	9,468	9,495	9,512	12,497
Cash from Official Public Account	309,617	238,651	237,885	240,002	236,803
Total cash received	1,018,621	902,723	853,896	885,444	912,757
Cash used					
Grant payments	49,282	31,090	36,703	37,564	38,448
Subsidies paid	7,130	7,293	7,383	7,453	7,581
Personal benefits	3,697	4,716	4,288	3,827	3,900
Suppliers	293,190	281,918	256,721	242,788	268,334
Other	30,384	3,384	3,384	3,384	3,384
Cash to Official Public Account	536,667	576,422	540,417	590,428	591,110
Total cash used	920,350	904,823	848,896	885,444	912,757
Net cash from or (used by)					
operating activities	98,271	(2,100)	5,000	-	-
INVESTING ACTIVITIES					
Cash received					
Other	1,191,320	-	-	-	-
Total cash received	1,191,320	-	-	-	-
Cash used					
Other	1,336,718	-	-	-	-
Total cash used	1,336,718	-	-	-	-
Net cash from or (used by)					
investing activities	(145,398)	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	6,368	6,368	6,368	6,368	6,368
Total cash received	6,368	6,368	6,368	6,368	6,368
Cash used					
Cash to Official Public Account	6,368	6,368	6,368	6,368	6,368
Total cash used	6,368	6,368	6,368	6,368	6,368
Net cash from or (used by)					
financing activities	-	-	-	-	-
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	51,885	4,758	2,658	7,658	7,658
Cash at end of reporting period	4,758	2,658	7,658	7,658	7,658