

Section 5: Budgeted financial statements

5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

An analysis of the MRT-RRT's budgeted financial statements for 2007-08 is provided below.

Budgeted departmental income statement

This statement provides a picture of the expected financial results for the MRT-RRT by identifying full accrual expenses and revenues.

The MRT-RRT's funding is based on an agreement with the Department of Finance and Administration, and receives funding for fixed costs plus variable costs based on the MRT-RRT's total operating costs. Total expenses for 2007-08 are estimated at \$40.3 m, which will lead to an anticipated nil surplus.

Budgeted departmental balance sheet

This statement shows the financial position of the MRT-RRT.

Assets and liabilities will remain static during 2007-08.

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.

Departmental statement of changes in equity – summary of movement

This statement shows the changes in equity for the year.

Departmental capital budget statement

This statement shows the total capital expenditure for the year.

Departmental property, plant, equipment and intangibles – summary of movement

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), which is funded from internal sources.

The MRT-RRT replaces assets on a regular basis as part of its ongoing asset maintenance programme.

Schedule of administered activity

Schedule of budgeted revenues and expenses administered on behalf of government

Revenues totalling \$11.4m comprise MRT application fees of \$8.3m and \$3.1m for RRT post-decision fees.

The revenue reflects the anticipated fees payable for 2007-08. Expenses of \$8.3m comprise a write-off of bad debts from the RRT post-decision fees of \$2.2m, and \$6.1m for refunds made to successful applicants.

Schedule of budgeted assets and liabilities administered on behalf of government

This schedule shows the assets and liabilities administered on behalf of the government. Receivables reflect the net amount of outstanding debt at 30 June 2007.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the government. The \$9.2m for fees represents anticipated recovery of receipts for 2007-08. Cash used in the amount of \$6.1m are refunds made to successful applicants.

5.2: BUDGETED FINANCIAL STATEMENTS TABLES

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

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
INCOME					
Revenue					
Revenues from Government	39,659	40,313	40,463	41,052	41,602
Total revenue	39,659	40,313	40,463	41,052	41,602
Gains					
Other	32	32	32	32	32
Total gains	32	32	32	32	32
Total income	39,691	40,345	40,495	41,084	41,634
EXPENSE					
Employees	28,981	29,428	29,298	29,792	30,510
Suppliers	9,000	9,200	9,400	9,600	9,800
Depreciation and amortisation	1,496	1,527	1,634	1,559	1,223
Finance costs	214	190	163	133	101
Total expenses	39,691	40,345	40,495	41,084	41,634
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-

Table 5.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
ASSETS					
Financial assets					
Cash and equivalents	251	179	265	287	340
Trade and other Receivables	13,426	12,226	11,426	10,926	9,726
Total financial assets	13,677	12,405	11,691	11,213	10,066
Non-financial assets					
Land and buildings	1,905	1,782	1,459	1,136	813
Infrastructure, plant and equipment	1,784	2,294	2,542	2,513	2,993
Intangibles	3,048	3,511	3,853	4,205	4,685
Other	144	144	144	144	144
Total non-financial assets	6,881	7,731	7,998	7,998	8,635
Total assets	20,558	20,136	19,689	19,211	18,701
LIABILITIES					
Interest bearing liabilities					
Leases	3,251	2,829	2,382	1,904	1,394
Total interest bearing liabilities	3,251	2,829	2,382	1,904	1,394
Provisions					
Employees	4,827	4,827	4,827	4,827	4,827
Total provisions	4,827	4,827	4,827	4,827	4,827
Payables					
Suppliers	1,604	1,604	1,604	1,604	1,604
Total payables	1,604	1,604	1,604	1,604	1,604
Total liabilities	9,682	9,260	8,813	8,335	7,825
Net assets	10,876	10,876	10,876	10,876	10,876
EQUITY*					
Parent entity interest					
Contributed equity	300	300	300	300	300
Reserves	2,035	2,035	2,035	2,035	2,035
Retained surpluses or accumulated deficits	8,541	8,541	8,541	8,541	8,541
Total parent entity interest	10,876	10,876	10,876	10,876	10,876
Total equity	10,876	10,876	10,876	10,876	10,876
Current assets	13,821	12,549	11,835	11,357	10,210
Non-current assets	6,737	7,587	7,854	7,854	8,491
Current liabilities	3,600	3,600	3,600	3,600	3,600
Non-current liabilities	6,082	5,660	5,213	4,735	4,225

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

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	38,132	40,313	40,463	41,052	41,602
Total cash received	38,132	40,313	40,463	41,052	41,602
Cash used					
Employees	28,981	29,428	29,298	29,792	30,510
Suppliers	9,182	9,358	9,531	9,701	9,869
Other - Transfer to Finance	(2,000)	(1,200)	(800)	(500)	(1,200)
Total cash used	36,163	37,586	38,029	38,993	39,179
Net cash from or (used by) operating activities	1,969	2,727	2,434	2,059	2,423
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	2,194	2,377	1,901	1,559	1,860
Total cash used	2,194	2,377	1,901	1,559	1,860
Net cash from or (used by) investing activities	(2,194)	(2,377)	(1,901)	(1,559)	(1,860)
FINANCING ACTIVITIES					
Cash used					
Repayments of lease incentive	396	422	447	478	510
Total cash used	396	422	447	478	510
Net cash from or (used by) financing activities	(396)	(422)	(447)	(478)	(510)
Net increase or (decrease) in cash held	(621)	(72)	86	22	53
Cash at the beginning of the reporting period	872	251	179	265	287
Cash at the end of the reporting period	251	179	265	287	340

Table 5.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2007 2007					
Balance carried forward from previous period	8,541	2,035	-	300	10,876
Income and expense					
Surplus (deficit) for the period	-	-	-	-	-
Estimated closing balance as at 30 June 2008	8,541	2,035	-	300	10,876

Table 5.5: Departmental capital budget statement

	Estimated Actual 2006-07 \$'000	Budget Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000	Forward Estimate 2010-11 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Represented by:					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total represented by	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	2,194	2,377	1,901	1,559	1,860
Total	2,194	2,377	1,901	1,559	1,860

Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2007					
Gross book value	-	3,084	5,107	3,827	12,018
Accumulated depreciation	-	1,179	3,323	779	5,281
Opening net book value	-	1,905	1,784	3,048	6,737
Additions:					
by purchase	-	200	1,097	350	1,647
internally developed	-	-	-	730	730
Depreciation/amortisation expense	-	323	587	617	1,527
Disposals:					
other disposals	-	-	-	-	-
As at 30 June 2008					
Gross book value	-	3,284	6,204	4,907	14,395
Accumulated depreciation	-	1,502	3,910	1,396	6,808
Estimated closing net book value	-	1,782	2,294	3,511	7,587

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

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenues	11,400	11,400	10,800	11,000	11,200
Total non-taxation	11,400	11,400	10,800	11,000	11,200
Total income administered on behalf of Government	11,400	11,400	10,800	11,000	11,200
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Write down and impairment of assets	2,200	2,200	2,200	2,200	2,200
Refund of application fees	6,100	6,100	5,600	5,800	5,900
Total expenses administered on behalf of Government	8,300	8,300	7,800	8,000	8,100

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

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	89	89	89	89	89
Receivables	282	282	282	282	282
Total financial assets	371	371	371	371	371
Total assets administered on behalf of Government	371	371	371	371	371
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Other payables	-	-	-	-	-
Total payables	-	-	-	-	-
Total liabilities administered on behalf of Government	-	-	-	-	-

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

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
OPERATING ACTIVITIES					
Cash received					
Rendering of services	9,200	9,200	8,600	8,800	9,000
Total cash received	9,200	9,200	8,600	8,800	9,000
Cash used					
Other - refunds	6,100	6,100	5,600	5,800	5,900
Total cash used	6,100	6,100	5,600	5,800	5,900
Net cash from or (used by) operating activities	3,100	3,100	3,000	3,000	3,100
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account	6,100	6,100	5,600	5,800	5,900
Total cash received	6,100	6,100	5,600	5,800	5,900
Cash used					
Cash to Official Public Account	9,200	9,200	8,600	8,800	9,000
Total cash used	9,200	9,200	8,600	8,800	9,000
Net cash from or (used by) financing activities	(3,100)	(3,100)	(3,000)	(3,000)	(3,100)
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	89	89	89	89	89
Cash at end of reporting period	89	89	89	89	89