

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Immigration and Citizenship. The corresponding table in the PBS 2008-09 is Table 3.1.3.

Table 3.1.1: Estimates of special account flows

		Opening balance 2008-09 <i>2007-08</i>	Receipts 2008-09 <i>2007-08</i>	Payments 2008-09 <i>2007-08</i>	Adjustments 2008-09 <i>2007-08</i>	Closing balance 2008-09 <i>2007-08</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Population, Multicultural and Immigration Research Program Account – s. 20 FMA Act	1	143 63	100 117	100 37	- -	143 143
Other Trust Monies Account – s. 20 FMA Act	1	76,986 54,851	164,297 136,003	164,297 113,868	- -	76,986 76,986
Services for other governments and non-departmental bodies – s. 20 FMA Act	1, 2	-	-	-	-	-
Total special accounts						
2008-09 Budget estimate		77,129	164,397	164,397	-	77,129
<i>Total special accounts</i>						
<i>2007-08 actual</i>		<i>54,914</i>	<i>136,120</i>	<i>113,905</i>	-	<i>77,129</i>

3.1.2 Estimates of variations to Average Staffing Level

Updated forecasts in Average Staffing Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level. These figures include Locally Engaged Staff in the DIAC overseas network. The ASL figures for Budget were reported in the Department of Immigration and Citizenship PBS 2008-09 in each Outcome Resourcing Table.

Table 3.1.2: Average Staffing Level (ASL)

	2008-09 Budget	2008-09 Revised	Variation
Outcome 1			
Contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people	6,171	6,407	236
Outcome 2			
A society which values Australian citizenship and social cohesion, and enables migrants and refugees to participate equitably	1,005	1,043	38
Total	7,176	7,450	274

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

An analysis of the primary sources of movement from the financial statements published in the Portfolio Budget Statements (PBS) 2008-09 is provided below.

Budgeted Departmental income statement

This statement provides a picture of the expected financial results for DIAC by identifying the full accrued expenses and revenue.

Income

In 2008-09 total revenue is expected to increase by \$4.9 million to \$1,241.5 million. Revenue from Government (price of outputs) is expected to change from \$1,185.0 million to \$1,188.7 million, an increase of \$3.7 million from the Portfolio Budget Statements (PBS) estimates 2008-09. This represents the additional funding for new measures.

Expenses

In 2008-09 total expenses are estimated to change from \$1,238.3 million to \$1,242.5 million, an increase of \$4.2 million from the PBS estimates 2008-09. This comprises of \$3.7 million of additional expenses related to the new measures, and \$0.5 million from other variations.

Further details on the additional funding for new measures and other variations are provided in Section 1 on pages 12 to 17.

Budgeted Departmental balance sheet

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

Departmental asset and liability balances have primarily changed to reflect the impact of the 2007-08 audited financial results.

Budgeted Departmental statement of cash flows

Budgeted cash flow, as reflected in the statement of cash flows, provides 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.

The cash flow statement has been updated, where necessary, to reflect the changes made to the income statement and balance sheet.

Departmental statement of changes in equity – summary of movement

The statement of changes in equity represents the movement of parent entity (the Commonwealth) interest.

The statement has been prepared to reflect the revised accumulated results and the movement of contributed equity from the Commonwealth.

Equity injections have increased by \$0.2 million due to a new measure.

Schedule of budgeted income and expenses administered on behalf of government

This schedule identifies the main income and expense administered on behalf of the Government.

Income

In 2008-09 the Department will administer the collection of revenue on behalf of the Government of \$880.2 million, which is an increase of \$41.3 million since the 2008-09 Budget. The increase includes \$0.3 million for new measures and \$41.0 million due to the operating activity variations, mainly an increase in the Visa Application Charges.

Expenses

The administered expenses are estimated to change from \$521.8 million to \$520.7 million, a decrease of \$1.1 million since the 2008-09 Budget. The decrease comprises \$3.1 million reduction due to changes in program specific parameters offset by \$2.0 million additional appropriation due to new measures.

Schedule of budgeted assets and liabilities administered on behalf of government

This schedule shows the assets and liabilities administered on behalf of the Government.

Administered assets and liability balances have been adjusted since the 2008-09 Budget for the impact of the 2007-08 audited financial position.

Schedule of Budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government and has been adjusted to reflect the cash impact of the changes reported in the statement of budgeted income and expenses.

3.2.2 Budgeted financial statements

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	1,360,366	1,188,659	1,180,379	1,156,152	1,188,390
Goods and services	26,523	32,654	34,370	37,314	37,314
Other	22,350	20,148	19,803	18,300	17,922
Total revenue	1,409,239	1,241,461	1,234,552	1,211,766	1,243,626
Gains					
Net foreign exchange gains	183	197	197	197	197
Net gains from sale of assets	515	-	-	-	-
Other	2,316	817	817	817	817
Total gains	3,014	1,014	1,014	1,014	1,014
Total income	1,412,253	1,242,475	1,235,566	1,212,780	1,244,640
EXPENSE					
Employees	552,432	595,816	621,084	640,845	663,802
Suppliers	710,888	534,540	502,901	466,342	493,853
Depreciation and amortisation	94,722	97,394	98,659	93,283	75,506
Finance costs	4,299	2,348	1,545	933	101
Write-down of assets and impairment of assets	13,184	12,335	11,335	11,335	11,335
Foreign exchange losses	12	42	42	42	43
Other	1,317	-	-	-	-
Total expenses	1,376,854	1,242,475	1,235,566	1,212,780	1,244,640
Share of operating results of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Surplus (Deficit) before Income tax	35,399	-	-	-	-
Income Tax expense	-	-	-	-	-
Surplus (Deficit)	35,399	-	-	-	-
Minority interest in surplus or (deficit)	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	35,399	-	-	-	-

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,178	5,178	5,178	5,178	5,178
Receivables	326,283	330,900	374,185	427,937	476,646
Accrued revenues	2,679	2,679	2,679	2,679	2,679
Other financial assets	1,327	1,327	1,327	1,327	1,327
Total financial assets	335,467	340,084	383,369	437,121	485,830
Non-financial assets					
Land and buildings	559,339	598,950	587,839	579,172	728,816
Infrastructure, plant and equipment	74,511	52,935	46,808	39,677	44,556
Intangibles	232,440	242,837	227,449	182,169	141,065
Other	20,398	20,398	20,398	20,398	20,398
Total non-financial assets	886,688	915,120	882,494	821,416	934,835
Total assets	1,222,155	1,255,204	1,265,863	1,258,537	1,420,665
LIABILITIES					
Payables					
Suppliers	35,650	35,650	35,650	35,650	35,650
Accrued Expenses	102,829	102,829	102,829	102,829	102,829
Other payables	105	105	105	105	105
Total payables	138,584	138,584	138,584	138,584	138,584
Interest bearing liabilities					
Leases	45,629	29,219	14,246	1,843	1,573
Leases incentives	12,128	12,128	12,128	12,128	12,128
Total interest bearing liabilities	57,757	41,347	26,374	13,971	13,701
Provisions					
Employees	148,812	149,764	155,602	160,679	166,357
Other provisions	25,138	25,138	25,138	25,138	25,138
Total provisions	173,950	174,902	180,740	185,817	191,495
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	370,291	354,833	345,698	338,372	343,780
Net assets	851,864	900,371	920,165	920,165	1,076,885

Continued over page.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June) (continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
EQUITY*					
Parent entity interest					
Contributed equity	784,053	832,560	852,354	852,354	1,009,074
Reserves	65,334	65,334	65,334	65,334	65,334
Retained surpluses or accumulated deficits	2,477	2,477	2,477	2,477	2,477
Total parent entity interest	851,864	900,371	920,165	920,165	1,076,885
Minority interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total minority interest	-	-	-	-	-
Total equity	851,864	900,371	920,165	920,165	1,076,885
Current assets	355,865	360,482	403,767	457,519	506,228
Non-current assets	866,290	894,722	862,096	801,018	914,437
Current liabilities	296,529	293,126	295,295	287,526	291,551
Non-current liabilities	73,762	61,707	50,403	50,846	52,229

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

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	22,054	22,048	28,970	37,314	37,314
Appropriations	1,348,424	1,275,438	1,228,490	1,193,796	1,231,077
GST received from ATO	77,781	62,336	64,676	64,342	64,342
Other cash received	22,073	24,604	20,396	13,343	12,811
Total cash received	1,470,332	1,384,426	1,342,532	1,308,795	1,345,544
Cash used					
Employees	527,752	604,625	628,609	644,515	666,869
Suppliers	700,197	587,098	557,226	524,475	551,118
Cash to Official Public Account	113,076	91,396	91,396	91,396	91,396
Financing costs	4,299	2,348	1,545	933	101
Net GST paid	77,307	2,274	2,274	2,274	2,274
Other cash used	122	-	-	-	-
Total cash used	1,422,753	1,287,741	1,281,050	1,263,593	1,311,758
Net cash from or (used by) operating activities	47,579	96,685	61,482	45,202	33,786
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	671	-	-	-	-
Total cash received	671	-	-	-	-
Cash used					
Purchase of property, plant and equipment	149,969	113,308	66,033	32,205	32,205
Total cash used	149,969	113,308	66,033	32,205	32,205
Net cash from or (used by) investing activities	(149,298)	(113,308)	(66,033)	(32,205)	(32,205)

Continued over page.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	116,227	35,989	19,794	-	-
Total cash received	116,227	35,989	19,794	-	-
Cash used					
Repayments of debt	16,446	19,366	15,243	12,997	1,581
Total cash used	16,446	19,366	15,243	12,997	1,581
Net cash from or (used by) financing activities	99,781	16,623	4,551	(12,997)	(1,581)
Net increase or (decrease) in cash held	(1,938)	-	-	-	-
Cash at the beginning of the reporting period	7,116	5,178	5,178	5,178	5,178
Cash at the end of the reporting period	5,178	5,178	5,178	5,178	5,178

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	2,477	65,334	-	784,053	851,864
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	2,477	65,334	-	784,053	851,864
Income and expense					
Income and expenses recognised directly in equity	-	-	-	-	-
Gain/loss on revaluation of property	-	-	-	-	-
Sub-total income and expense recognised directly in equity	-	-	-	-	-
Net operating result	-	-	-	-	-
Total income and expenses	-	-	-	-	-
Transactions with owners					
<i>Distributions to owners</i>					
Returns on capital					
Restructuring	-	-	-	12,518	12,518
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	35,989	35,989
Sub-total transactions with owners	-	-	-	48,507	48,507
Estimated closing balance as at 30 June 2009	2,477	65,334	-	832,560	900,371

Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Goods and services	684,266	846,997	929,856	1,009,330	1,095,639
Other sources of non-taxation revenues	23,631	33,233	34,752	36,101	36,502
Total non-taxation	707,897	880,230	964,608	1,045,431	1,132,141
Total revenues administered on behalf of Government	707,897	880,230	964,608	1,045,431	1,132,141
Gains					
Other gains	2,375	-	-	-	-
Total gains administered on behalf of Government	2,375	-	-	-	-
Total income administered on behalf of Government	710,272	880,230	964,608	1,045,431	1,132,141
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	38,267	46,046	48,437	48,857	50,828
Subsidies	16,457	18,038	12,383	11,977	8,560
Personal benefits	4,958	7,148	5,925	5,997	6,068
Suppliers	199,354	425,497	457,681	461,803	480,250
Write down and impairment of assets	20,755	24,000	24,000	24,000	24,000
Total expenses administered on behalf of Government	279,791	520,729	548,426	552,634	569,706

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	6,346	6,646	6,646	6,646	6,646
Receivables	4,899	4,599	4,599	4,599	4,599
Accrued revenues	5,168	5,168	5,168	5,168	5,168
Total financial assets	16,413	16,413	16,413	16,413	16,413
Total assets administered on behalf of Government	16,413	16,413	16,413	16,413	16,413
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Loans	7,309	7,309	7,309	7,309	7,309
Total interest bearing liabilities	7,309	7,309	7,309	7,309	7,309
Payables					
Suppliers	36,283	36,283	36,283	36,283	36,283
Other payables	1,621	1,621	1,621	1,621	1,621
Total payables	37,904	37,904	37,904	37,904	37,904
Total liabilities administered on behalf of Government	45,213	45,213	45,213	45,213	45,213

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised Budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	691,587	862,458	942,032	1,017,190	1,103,499
Net GST received	16,365	15,546	15,546	15,546	15,546
Other	7,805	1,932	6,436	12,101	12,502
Cash from Official Public Account	260,787	496,729	524,426	528,634	545,706
Total cash received	976,544	1,376,665	1,488,440	1,573,471	1,677,253
Cash used					
Grant payments	36,267	46,046	48,437	48,857	50,828
Subsidies paid	16,458	18,038	12,383	11,977	8,560
Personal benefits	6,988	7,148	5,925	5,997	6,068
Suppliers	201,720	447,190	479,374	483,496	501,943
Net GST paid	16,655	1,713	1,713	1,713	1,713
Other	2,677	-	-	-	-
Cash to Official Public Account	698,318	856,230	940,608	1,021,431	1,108,141
Total cash used	979,083	1,376,365	1,488,440	1,573,471	1,677,253
Net cash from or (used by) operating activities	(2,539)	300	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	739	-	-	-	-
Total cash received	739	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	739	-	-	-	-
Net increase or (decrease) in cash held	(1,800)	300	-	-	-
Cash at beginning of reporting period	8,146	6,346	6,646	6,646	6,646
Cash at end of reporting period	6,346	6,646	6,646	6,646	6,646