



# **JOINT HOUSE DEPARTMENT**

## **PORTFOLIO BUDGET STATEMENTS**

**2003–04**

**BUDGET INITIATIVES AND EXPLANATIONS OF APPROPRIATIONS  
SPECIFIED BY OUTCOME AND OUTPUTS**

**BUDGET-RELATED PAPER NO. 1.17E**

## 2003–04 Budget Papers

### Budget Speech

- No. 1      Budget Strategy and Outlook 2003–04  
Contains information on the economic and financial outlook, together with information on the fiscal strategy.
- No. 2      Budget Measures 2003–04  
Provides a comprehensive statement on the budget expense, revenue and capital measures in the 2003–04 budget.
- No. 3      Federal Financial Relations 2003–04  
Provides information on Commonwealth financial relations with the States, Territories and local government.
- No. 4      Agency Resourcing 2003–04  
Contains information on resourcing for Commonwealth agencies (including the Appropriation Bills Nos 1 and 2 and the Appropriation (Parliamentary Departments) Bill No1).

## 2003–04 Budget-Related Papers

- No. 1      Portfolio Budget Statements  
Present detailed information on the expected financial position of each Commonwealth Government agency for 2003–04.

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8 May 2003

Parliament House  
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Mr President

Mr Speaker

Joint House Department  
Portfolio Budget Statements 2003-04

As the Presiding Officers, you are responsible for the administration of the Joint House Department (JHD). I hereby transmit to you for consideration of the Parliament, JHD's Portfolio Budget Statements for 2003-04.

These Portfolio Budget Statements reflect the outcome set for JHD and record how effectively JHD's outputs contribute to meeting this outcome.

M BOLTON  
Secretary



# **Part A**

## **User Guide**

## **User Guide**

### **Purpose of the Portfolio Budget Statements**

The purpose of the Portfolio Budget Statements (PBSs) is to inform Senators and Members of the proposed allocation of resources to the Government outcome that is the responsibility of the Joint House Department (JHD). JHD receives resources from the annual appropriation bills, special appropriations and revenues from other sources.

A key role of the PBSs is to facilitate Senators' and Members' understanding of the proposed appropriations in the Appropriation (Parliamentary Departments) Bill 2003–04. In this sense, the PBSs are officially a Budget-Related Paper and is declared by the Appropriations Bill to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The PBSs provides sufficient information, explanation and justification to enable Parliament to understand the purpose of the outcome proposed in the Bill.

### **Structure of the Portfolio Budget Statements**

The Portfolio Budget Statements (PBSs) are presented in three parts.

#### **Part A: User Guide**

Provides an introduction explaining the purpose of the PBSs and information in relation to the styles and conventions used.

#### **Part B: Department Overview**

Provides a brief overview of JHD, its vision and mission statements.

#### **Part C: Department Budget Statements**

##### **Section 1: Department Overview, Appropriations, and Budget Measures Summary**

This section provides a brief overview of JHD's appropriations and summarises, where applicable, budget measures. The section also details the link between the resources appropriated and their application to the outputs that contribute to the achievement of the outcome and the impact of any Budget measures.



**Section 2: Outcome and Outputs Information**

This section provides a brief description of the outcome, outputs and, where applicable, Budget measures. The section also provides details of resourcing—outlining both the Administered and Departmental appropriations, how the outputs contribute to the outcome and performance information for the outcome. Competitive tendering and contracting issues are included in this section.

**Section 3: Budgeted Financial Statements**

This section contains the budgeted financial statements in accrual format covering the budget year, the previous year and the three out years for JHD's Departmental and Administered Items.

**Section 4: Purchaser/Provider Arrangements**

This section details purchaser/provider arrangements entered into with other agencies.

**Style Conventions Used**

- (a) Figures in tables and in the text have been rounded to the nearest thousand dollars (\$'000).
- (b) All totals are the rounded additions of unrounded figures.

A Glossary is provided at the end of the document.

**Inquiries**

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This document can be viewed on the JHD website at:  
[http:// www.aph.gov.au/jhd/about/corpinfo/budget.html](http://www.aph.gov.au/jhd/about/corpinfo/budget.html)



## **Part B**

### **Department Overview**

## Department Overview

JHD is one of five parliamentary departments.

It was established shortly after Federation in 1901, and provides a wide range of services to Senators, Members and their staff, parliamentary staff, other building occupants and visitors.

### **Our Vision**

*Our vision is that Australia's Parliament House continues into the next century and beyond as one of the finest legislative buildings in the world and that the services provided by JHD are commensurate with that ideal.*

### **Our Mission**

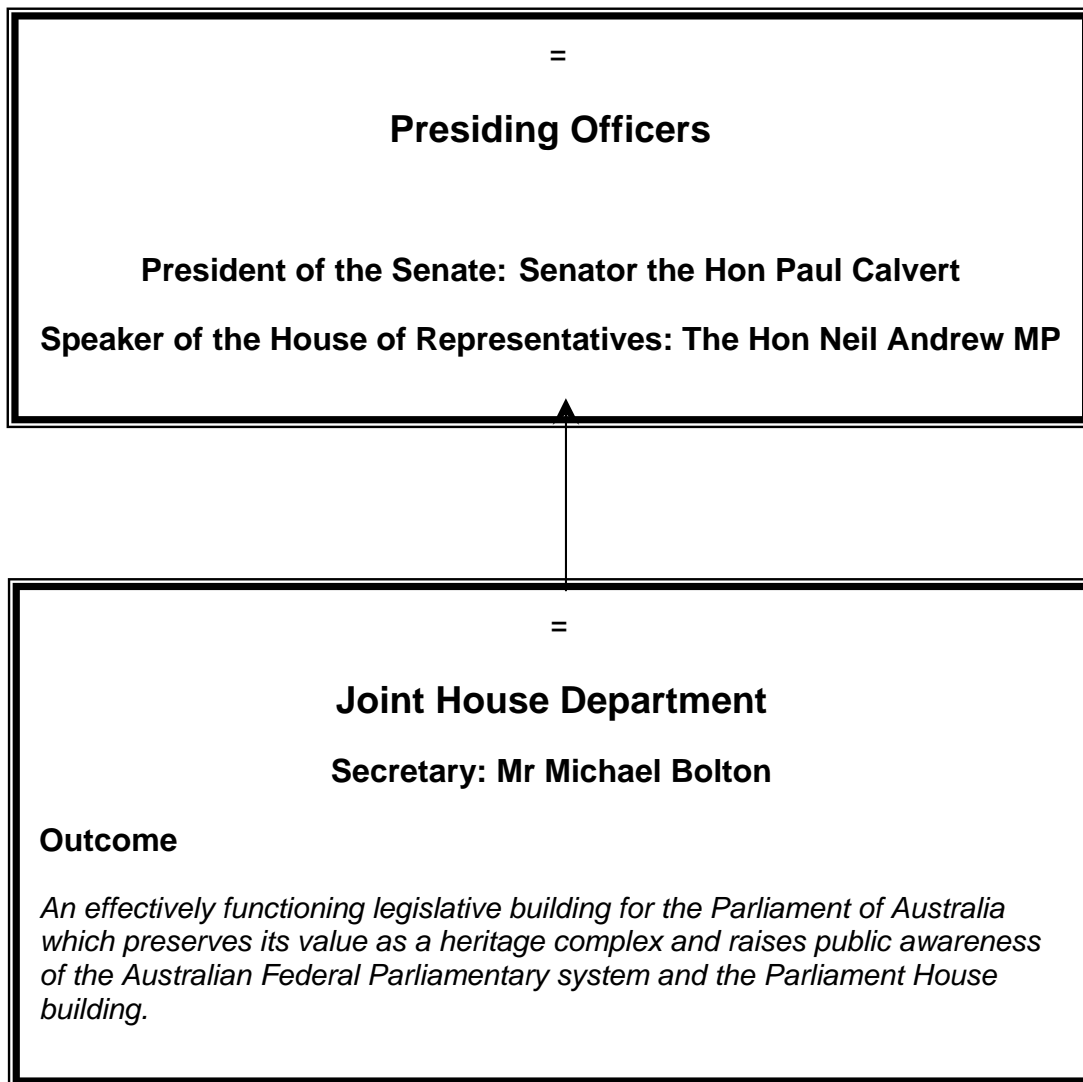
*We will continue to earn the privilege of maintaining Australia's Parliament House and managing its facilities because we best understand and satisfy its unique servicing requirements.*

JHD has business relationships with outside agencies, consultants and contractors, which complement its in-house resources in delivering its services.

Partnerships with key contractors assist in the pursuit of JHD's vision and mission.

## Joint House Department

### Structure of Outcome





## **Part C**

### **Budget Statements**

## Section 1

### Joint House Department

#### Department Overview

JHD is one of five departments that support the Parliament—the others being the Department of the Senate, the Department of the House of Representatives, the Department of the Parliamentary Reporting Staff and the Department of the Parliamentary Library.

JHD is responsible for providing the Parliament and the users of the building with a range of services in the area of building design and construction; building modification and maintenance; and art and craft. In addition, it provides a range of commercial support services and facilities.

Although JHD has only limited program delivery to the community as a whole, it is cognisant of its important role in supporting the institution of Parliament and in facilitating access to, and enjoyment of, Parliament House by the people of Australia and visitors from other nations.

#### Appropriations

The total appropriation for JHD in the 2003–04 Budget is \$44.852M.

Table 1.1 on the following page shows the total appropriations required by JHD during the 2003–04 budget period to meet its outcome, including Departmental and Administered expenses, price of output appropriation and, where appropriate, Administered capital and Departmental equity injections and loans.



### Joint House Department—Appropriations 2003–04

**Table 1.1: Appropriations and Other Revenue (\$'000)**

Outcome	Departmental (Price of Outputs)					Administered			Total Appropriations
	Revenue from Government (Appropriations)			Revenue from other sources	Price of Outputs	Annual Appropriations	Revenue from other sources	Total Administered Revenue	
	Parl. Dept. Bill	Special Approps	Total Approps			Parl. Dept. Bill			
	(A)	(B)	(C=A+B)	(D)	(E=C+D)	(F)	(G)	(H=F+G)	(I=C+F)
Outcome— <i>An effectively functioning legislative building for the Parliament of Australia</i>	34 198	0	34 198	6 710	40 908	10 654	0	10 654	44 852
<b>Total</b>	<b>34 198</b>	<b>0</b>	<b>34 198</b>	<b>6 710</b>	<b>40 908</b>	<b>10 654</b>	<b>0</b>	<b>10 654</b>	<b>44 852</b>
									Departmental Capital (Equity Injections and Loans)
									0
									Administered Capital
									0
									<b>Total Appropriations</b>
									<b>44 852</b>

**Notes to Table 1.1:**

The amounts in shading are included in the annual appropriation bill.

1. Total Revenue from Other Sources (Column D), Total Administered Revenue (Column H) and Total Appropriations (Column I) refer to information provided in Table 2.1 on page 16.
2. Refer to Budgeted Statement of Revenue and Expense for application of agency revenue.
3. Departmental Revenue from other sources includes other revenue from government agencies (eg resources free of charge—\$3 255k) and revenue from other sources (eg sales of goods and services by agencies—\$3 455k).
4. Non-appropriated Departmental and Administered revenues are detailed on page 13.

### Budget Measures—Department Summary

Budget measures are decisions by the Cabinet or Minister that change existing policy and these result in cost or savings in budget financial estimates.

Table 1.2: Summary of Measures disclosed in the 2003–04 Budget

Measure	Appropriations budget			Appropriations forward estimate			Appropriations forward estimate			Appropriations forward estimate		
	2003–04 (\$'000)			2004–05 (\$'000)			2005–06 (\$'000)			2006–07 (\$'000)		
	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Termination of the ABIS Scheme—Refund of Appropriation clawed back and elimination of interest income.	0	0	0	0	0	0	0	0	0	0	0	0
Termination of the CUC Scheme—Reduction of Appropriation and CUC expenses.	0	0	0	0	0	0	0	0	0	0	0	0
Parliamentary Departments—Efficiency measures requested in Cabinet Minute JH03/0037/ER/4—Reduction of expenses.	0	0	0	0	(1,228)	(1,228)	0	(1,252)	(1,252)	0	(1,278)	(1,278)

## Receipts from Independent Sources

JHD receives income from the following non-government sources:

The Parliament Shop	Retail sales of curios and memorabilia to Senators, Members and to Parliament House visitors.
User Charges	Revenues received from customers for the rental of services and facilities at Parliament House, eg hire of the Great Hall.
Press Gallery Licence Charges	Recovery of costs from the Press Gallery for the use of office space and facilities at Parliament House under licence agreements.
Other	Interest Received. This item has been discontinued.

	Estimated revenue 2002–03 \$'000	Estimated revenue 2003–04 \$'000
The Parliament Shop	1 586	1 400
User charges	1 457	1 055
Press Gallery	963	1 000
Other	121	0
<b>Total estimated revenue</b>	<b>4 127</b>	<b>3 455</b>

## Departmental Equity Injections and Loans, and Administered Capital

JHD has not requested any Equity Injections or Loans during the 2003–04 budget period; nor has it been appropriated any Administered capital for 2003–04 budget period.

## Section 2

### Outcome and Outputs Information

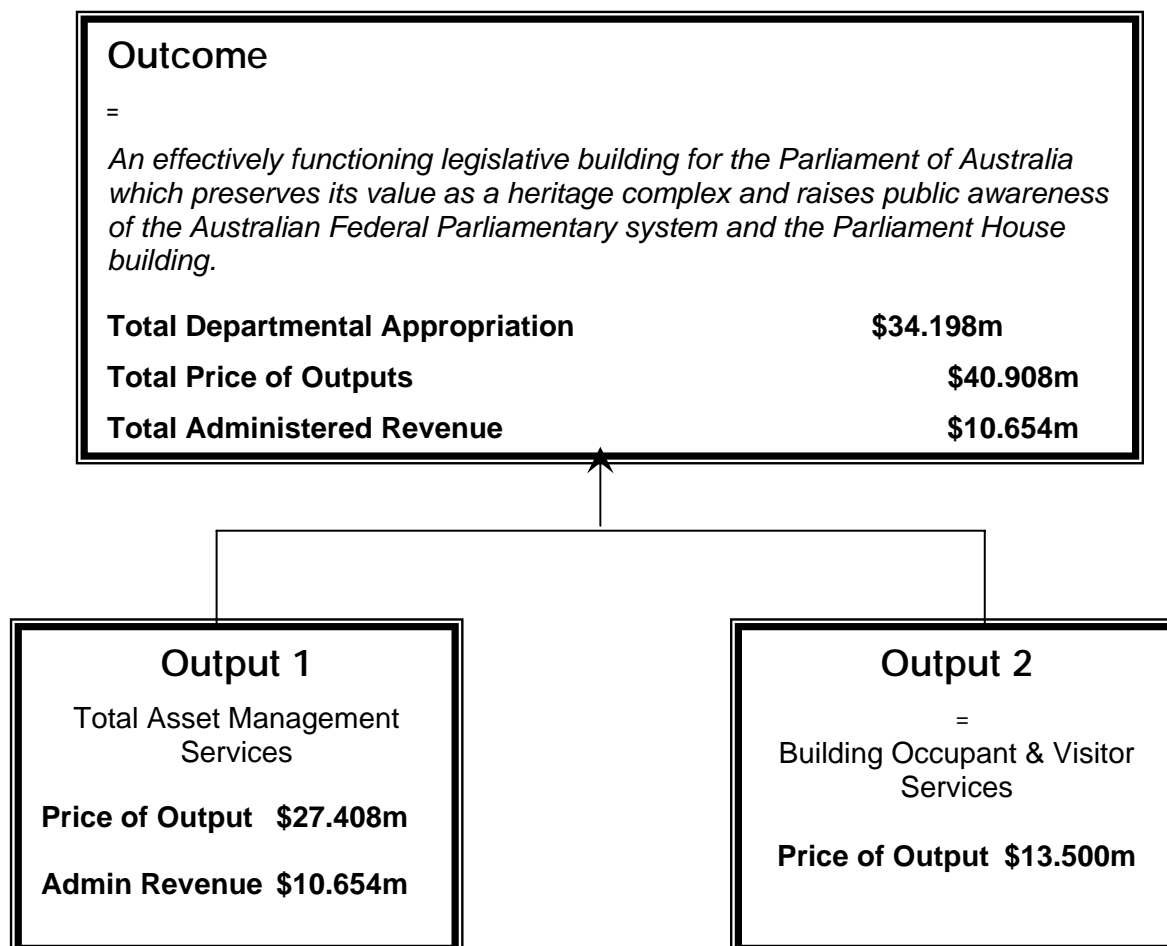
#### Description

JHD is responsible for providing the Parliament and the users of the building with a range of services in the area of building design and construction; building modification and maintenance; and art and craft. In addition, it provides a range of commercial support services and facilities.

The responsibility for maintaining and preserving Parliament House is funded through Administered appropriations.

#### Outcome and Contributing Outputs

The flow chart below links the relationship between JHD's outcome and the contributing outputs.



**Note:** Revenue from Government through appropriations contributes 87.0% to the total output price of this outcome for 2003–04. The balance is made up from revenue from other sources, including resources received free of charge (\$3 255) and revenue from other Departmental sources (\$3 455).

JHD's outputs reflect the Government's recognition of the need to protect a major icon of Australia's political democracy and an internationally recognised contemporary heritage building, not only for current Australians but for future Australians as well.

Justification for the choice of the outputs to achieve the outcome is described in Table 2.2. The table provides information on the strategies chosen to deliver the outcome and shows the links between the outputs and the outcome.

### **Changes to Outcome and Outputs**

No change has been made to JHD's outcome for 2003–04.

### **Budget Measures Affecting Outcome**

The budget measures affecting the outcome for the 2003–04 budget period are highlighted in Table 1.2.

### **Outcome—Resourcing**

Refer to flow chart on previous page for a diagrammatic explanation of the Outcome Resourcing, as well as Table 2.1 on the following page.

**Table 2.1: Total Resources for Outcome (\$'000)**

	Estimated Actual 2002–03 (\$'000)	Budget Estimate 2003–04 (\$'000)
<b>Administered appropriations</b>		
Asset replacement and minor works	11 430	10 654
<b>Total revenue from other sources</b>	202	0
<b>Total Administered expenses</b>	<b>11 632</b>	<b>10 654</b>
<b>Departmental appropriations</b>		
<b>Output 1</b>		
Asset Management Services	22 421	22 912
<b>Departmental appropriations</b>		
<b>Output 2</b>		
Building Occupant & Visitor Services	11 044	11 286
<b>Total Departmental appropriations</b>	<b>33 465</b>	<b>34 198</b>
<b>Total Departmental revenue from other sources</b>	7 382	6 710
<b>Total Price of Departmental outputs</b> (Total revenue from Government and from other sources)	40 847	40 908
<b>Total estimated resourcing for outcome</b> (Total price of outputs and Administered expenses)	52 479	51 562
	2002–03	2003–04
<b>Average Staffing Level (Number)</b>	261.0	260.0

**Notes to Table 2.1:**

The amounts in shading are included in the annual appropriation bill.

1. For information in the greyed column, refer to Note 1 to Table 1.1 on page 11.
2. Refer to Budgeted Statement of Revenue and Expense for application of agency revenue.
3. Departmental Revenue from other sources includes other revenue from government agencies (eg resources free of charge—\$3 255k) and revenue from other sources (eg sales of goods and services by agencies—\$3 455k).
4. The average staffing level is expected to increase during 2003-04 by at least 108, due to the proposed transfer of the security function from the chamber departments to JHD.

**Performance Information for Outcome**

JHD has put a comprehensive performance management system in place, measuring four key performance indicators: financial, customer satisfaction, asset performance and continuous improvement.

Table 2.2, commencing on the following page, lists the performance information that JHD will use to assess the level of its achievement of the outcome during 2003–04. The table shows the uses to which Administered resources will be put and the efficiency of the outputs in contributing to the outcome.

Targets for effectiveness and for the use of Administered expenses have been included, as they are applicable and appropriate for performance information for the outcome. Achievement of planned performance will be reported in JHD's 2003–04 annual report.

**Table 2.2: Performance Information and Planned Level of Achievement 2003–04.**

<b>Effectiveness—Achievement of the Outcome</b>	
JHD’s performance at the departmental level will be measured against a balanced performance scorecard as shown below.	
<b>Financial</b>	JHD manages its funds within an agreed profile.
<b>Clients/Stakeholders</b>	Clients’/stakeholders’ satisfaction is assessed by a coordinated regime and considered, where relevant, in the decision-making process.  JHD Service Charter Standards met.
<b>Asset Performance/ Service Delivery</b>	Building Condition Index.  Engineering Systems Condition Index.  Design Integrity Index.  Landscape Condition Index.  Service Delivery Index  Environmental Condition Index.  Energy consumption.
<b>Continuous Improvement</b>	The value of improvement initiatives implemented is equal to or better than the level of pay increase in the JHD Certified Agreement.  Improvement initiatives include those initiatives that result in :  <ul style="list-style-type: none"> <li>• bottom line savings to the budget;</li> <li>• expenditure not having to be made; and</li> <li>• additional services being provided at no extra cost.</li> </ul> Achievement against individual group or unit business plans to be at least 80%.
<b>Performance Information for Administered Item</b>	
<b>Asset Performance</b>	Building Condition and Systems Index.  Engineering Systems Condition Index.  Design Integrity Index.  Landscape Condition Index.



**Table 2.2: continued (Performance Information and Planned Level of Achievement 2003–04)**

<b>Output No 1—Total Asset Management Services</b>	
<b>Financial</b>	<p>Relevant business units manage their funds within an agreed profile that includes reduced overheads.</p> <p>Maintenance cost/m<sup>2</sup>.</p> <p>Energy cost/m<sup>2</sup>.</p>
<b>Clients/Stakeholders</b>	<p>Service Charter standards met.</p> <p>Results of client surveys satisfactory and feedback considered where appropriate.</p> <p>Number and type of compliments/complaints received by the Operations Help Desk.</p>
<b>Asset Performance</b>	<p>Percentage of planned maintenance achieved within an agreed maintenance to breakdown ratio.</p> <p>Actual progress against plan on five-year rolling works program.</p> <p>Engineering systems monitored and results fed into works or maintenance program.</p> <p>Building Fabric condition monitored and results fed into works or maintenance program.</p> <p>Landscape condition monitored and problems rectified.</p> <p>Design Integrity issues monitored and considered in works or maintenance program.</p> <p>Energy consumption.</p> <p>Environmental issues monitored and performance maintained or improved in water usage, carbon dioxide emissions, waste to landfill as a percentage of waste generated, biodiversity, hazardous goods handling and environmental incidents.</p>
<b>Continuous Improvement</b>	<p>Value of ideas implemented by business units contributing to the output.</p>

**Table 2.2: continued (Performance Information and Planned Level of Achievement 2003–04)**

<b>Output No 2—Building Occupant and Visitor Services</b>	
<b>Financial</b>	Relevant business units manage their funds within an agreed profile that includes reduced overheads.  Return on investment from The Parliament Shop.
<b>Clients/Stakeholders</b>	Service Charter Standards met.  Results of client surveys satisfactory and feedback considered where appropriate.  Number and type of compliments/complaints received by Facilities Group.
<b>Asset Performance / Service Delivery</b>	Service Delivery Index.
<b>Continuous Improvement</b>	Value of ideas implemented by business units contributing to the output.

Note: The Output performance indicators all contribute to the final Outcome performance indicators.

### **Evaluation and Competitive Tendering and Contracting**

JHD will continue to explore opportunities to rationalise resources within JHD (including opportunities for competitive tendering and contracting) and across the parliamentary administration through regular meetings of departmental heads and groups such as the Senior Management Coordination Group (SMCG), which come together to consider a range of issues and share information.

## Section 3

### Budgeted Financial Statements

#### **Budgeted Statement of Financial Performance (Budgeted Operating Statement) (Departmental and Administered)**

These statements indicate the expected financial results for JHD by identifying full accrual expenses and revenues, which highlight whether JHD is operating at a sustainable level in the short term.

#### **Budgeted Statement of Financial Position (Budgeted Balance Sheet) (Departmental and Administered)**

These statements show the financial position of JHD. It enables decision-makers to track the management of JHD's assets and liabilities.

#### **Budgeted Cash Flow Statement (Departmental and Administered)**

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.

#### **Capital Budget**

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

As there are no budgeted capital acquisitions, these reports have not been published.

#### **Non-financial Assets—Summary of Movement (Departmental and Administered)**

Where applicable, these reports show budgeted acquisitions and disposals of non-financial assets during the budget year.

## Analysis of Departmental Budgeted Financial Statements

An analysis of the JHD budgeted financial statements for 2003-04 is provided below.

### Statement of Financial Performance

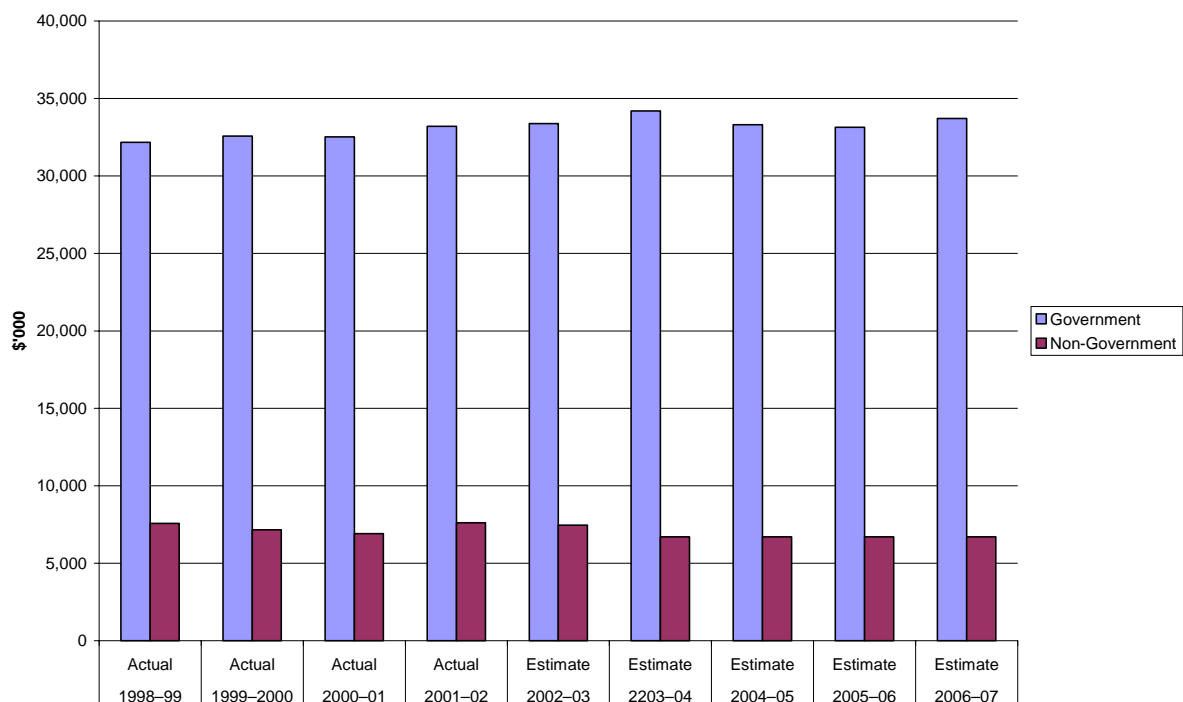
JHD’s budget philosophy is to attain a neutral budget result.

JHD is service oriented and there is no profit objective. The maintenance and optimal operations of Parliament House are our core function and all revenues are expended or committed to that function.

**Revenues from Government Sources** (Appropriations) are \$797k (2.4%) higher than the 2002-03 estimated appropriations. Of this increase, \$261k is committed to JHD’s superannuation liability, leaving \$536k (1.6% of 2002-03 estimated appropriations) to fund increases in expenditure.

**Revenues from Non-Government Sources** (Sale of Goods and Services / Other) have been reduced by \$672k to \$3 455k. (16%). The 11 September 2001 incident in New York and the changes to the security requirements for Parliament House have seen a dramatic decline in the number of visitors. This trend is expected to continue for the foreseeable future; therefore no recovery of this revenue has been incorporated into the future budgets.

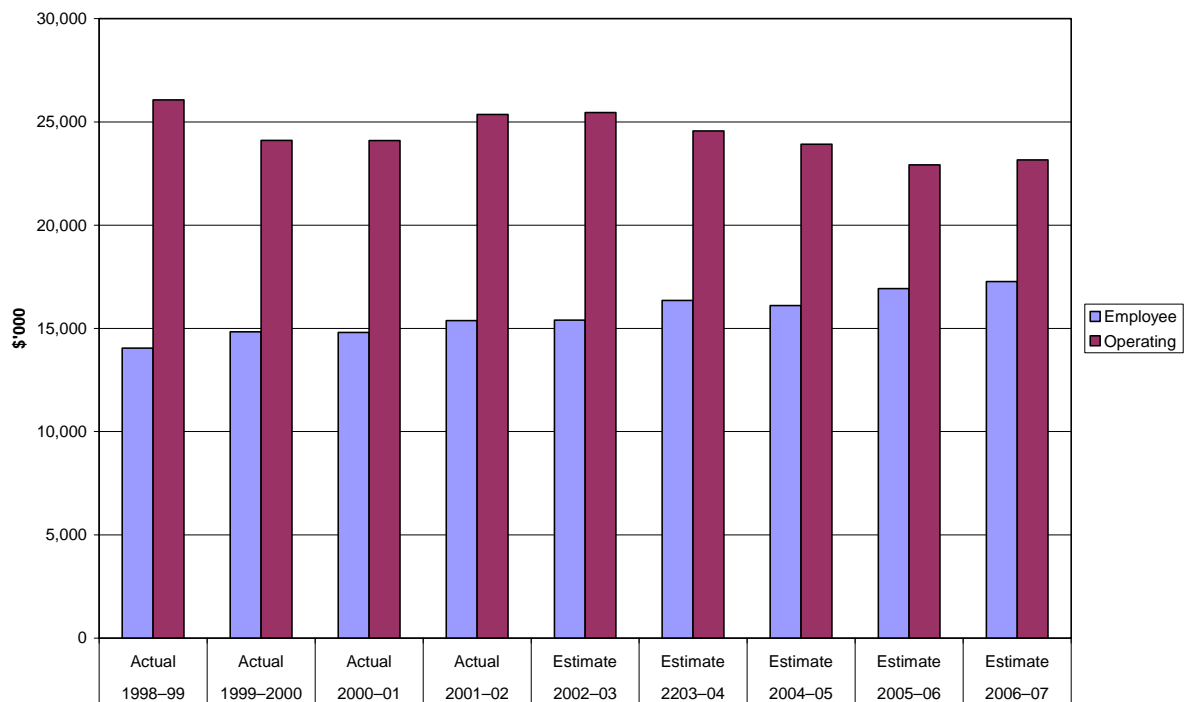
The graph below illustrates the Actual and Estimated Revenues from Government and Non-Government Sources. It will be noticed that the total revenue for JHD has remained fairly constant for both sources.



**Employee expenses** reflect the trend for remuneration as agreed in the JHD Certified Agreement. This expenditure is linked to performance outcomes and savings achieved in operating expenses. Any savings generated in employee entitlements are used to fund operating expenses.

**Operating expenses** have been reduced in future years to adequately reflect the impact of the budget measures as reported in Table 1.2.

Many of these costs are contract based and linked to CPI. JHD continually monitors the efficiencies of subcontractors, ensuring that their performance is optimised; and tries to optimise and reduce its discretionary spending, generating the savings required to fund CPI increases.



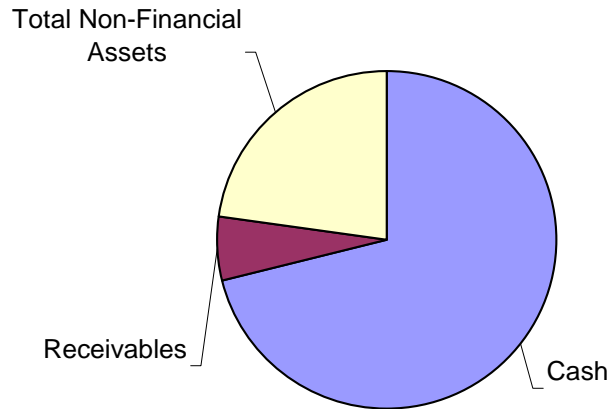
Further information may be read at Table 3.1.

**Statement of Financial Position**

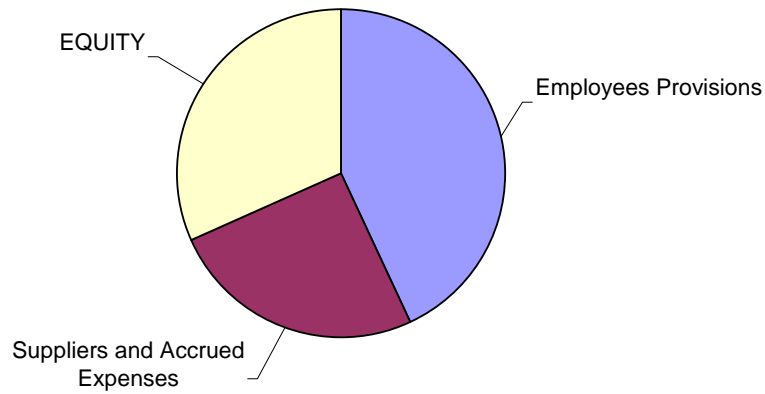
JHD’s budgeted asset position reflects a high cash balance, which is maintained to fund JHD’s liabilities.

The Employee Entitlements, Supplier and Accrued Payables, reflect JHD’s indebtedness to staff and external parties. Accumulated Depreciation Provisions represent JHD’s funding for assets replacement.

**Estimated Assets for 2002–03.**



**Estimated Equity and Liabilities for 2002–03**



Further information may be read at Table 3.2.

**Table 3.1: Departmental Financial Statements**  
**Budgeted Statement of Financial Performance**  
**(Budgeted Operating Statement)**

	Estimated actual 2002–03 \$'000	Budget estimate 2003–04 \$'000	Forward estimate 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000
<b>Operating revenue</b>					
Revenues from government	33 465	34 198	33 306	33 143	33 716
Resources received free of charge	3 255	3 255	3 255	3 255	3 255
Sales of goods and services	1 586	1 400	1 400	1 400	1 400
Other	2 541	2 055	2 055	2 055	2 055
<b>Total operating revenues</b>	<b>40 847</b>	<b>40 908</b>	<b>40 016</b>	<b>39 853</b>	<b>40 426</b>
<b>Operating expenses</b>					
Employees	15 394	16 352	16 105	16 930	17 270
Suppliers	24 278	24 183	23 567	22 579	22 812
Depreciation and amortisation	812	373	344	344	344
<b>Total operating expenses</b>	<b>40 484</b>	<b>40 908</b>	<b>40 016</b>	<b>39 853</b>	<b>40 426</b>
<b>Operating result before Capital Use Charge</b>	<b>363</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Capital Use Charge paid	363	0	0	0	0
<b>Operating result after Capital Use Charge</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Accumulated Results— bought forward from prior periods	1 211	1 211	1 211	1 211	1 211
<b>Accumulated Results— per Statement of Financial Position</b>	<b>1 211</b>	<b>1 211</b>	<b>1 211</b>	<b>1 211</b>	<b>1 211</b>

**Table 3.2: Departmental Financial Statements**  
**Budgeted Statement of Financial Position**  
**(Budgeted Balance Sheet)**

	Estimated actual 2002–03 \$'000	Budget estimate 2003–04 \$'000	Forward estimate 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000
<b>Assets</b>					
<b>Financial assets</b>					
Cash	7 153	7 407	8 291	8 310	9 294
Receivables	709	611	611	611	611
<b>Total financial assets</b>	<b>7 862</b>	<b>8 018</b>	<b>8 902</b>	<b>8 921</b>	<b>9 905</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	2 498	2 154	1 810	1 466	1 122
Inventories	257	227	227	227	227
Intangibles	29	0	0	0	0
<b>Total non-financial assets</b>	<b>2 784</b>	<b>2 381</b>	<b>2 037</b>	<b>1 693</b>	<b>1 349</b>
<b>Total assets</b>	<b>10 646</b>	<b>10 399</b>	<b>10 939</b>	<b>10 614</b>	<b>11 254</b>
<b>Liabilities</b>					
<b>Provisions and payables</b>					
Employees	4 715	4 478	5 085	4 867	5 482
Suppliers	2 628	2 618	2 551	2 444	2 469
<b>Total provisions and payables</b>	<b>7 343</b>	<b>7 096</b>	<b>7 636</b>	<b>7 311</b>	<b>7 951</b>
<b>Equity</b>					
Capital	1 609	1 609	1 609	1 609	1 609
Reserves	483	483	483	483	483
Accumulated results	1 211	1 211	1 211	1 211	1 211
<b>Total equity</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>
<b>Total liabilities and equity</b>	<b>10 646</b>	<b>10 399</b>	<b>10 939</b>	<b>10 614</b>	<b>11 254</b>
Current liabilities	<b>3 571</b>	<b>3 514</b>	<b>3 568</b>	<b>3 417</b>	<b>3 565</b>
Non-current liabilities	<b>3 772</b>	<b>3 582</b>	<b>4 068</b>	<b>3 894</b>	<b>4 386</b>
Current assets	<b>8 119</b>	<b>8 245</b>	<b>9 129</b>	<b>9 148</b>	<b>10 132</b>
Non-current assets	<b>2 527</b>	<b>2 154</b>	<b>1 810</b>	<b>1 466</b>	<b>1 122</b>



**Table 3.3: Departmental Financial Statements**  
**Budgeted Cash Flows Statement**

	Estimated actual 2002–03 \$'000	Budget estimate 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 for outputs	33 465	34 198	33 306	33 143	33 716
Resources received free of charge	3 255	3 255	3 255	3 255	3 255
Sales of goods and services	4 043	3 583	3 455	3 455	3 455
<b>Total cash received</b>	<b>40 763</b>	<b>41 036</b>	<b>40 016</b>	<b>39 853</b>	<b>40 426</b>
<b>Cash used</b>					
Employees	15 040	16 589	15 498	17 148	16 655
Suppliers	24 160	24 193	23 634	22 686	22 787
<b>Total cash used</b>	<b>39 200</b>	<b>40 782</b>	<b>39 132</b>	<b>39 834</b>	<b>39 442</b>
<b>Net cash from operating activities</b>	<b>1 563</b>	<b>254</b>	<b>884</b>	<b>19</b>	<b>984</b>
<b>Investing activities</b>					
Total cash received	0	0	0	0	0
Total cash used	0	0	0	0	0
<b>Net cash from investing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial activities</b>					
Total cash received	0	0	0	0	0
Capital Usage Charge	363	0	0	0	0
Total cash used	363	0	0	0	0
<b>Net cash from financing activities</b>	<b>(363)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash at the beginning of the reporting period	5 953	7 153	7 407	8 291	8 310
Net increase in cash held	1 200	254	884	19	984
<b>Cash at the end of the reporting period</b>	<b>7 153</b>	<b>7 407</b>	<b>8 291</b>	<b>8 310</b>	<b>9 294</b>

**Table 3.4: Departmental Financial Statements****Non-financial Assets****Summary of Movement for the Budget Year 2003–04**

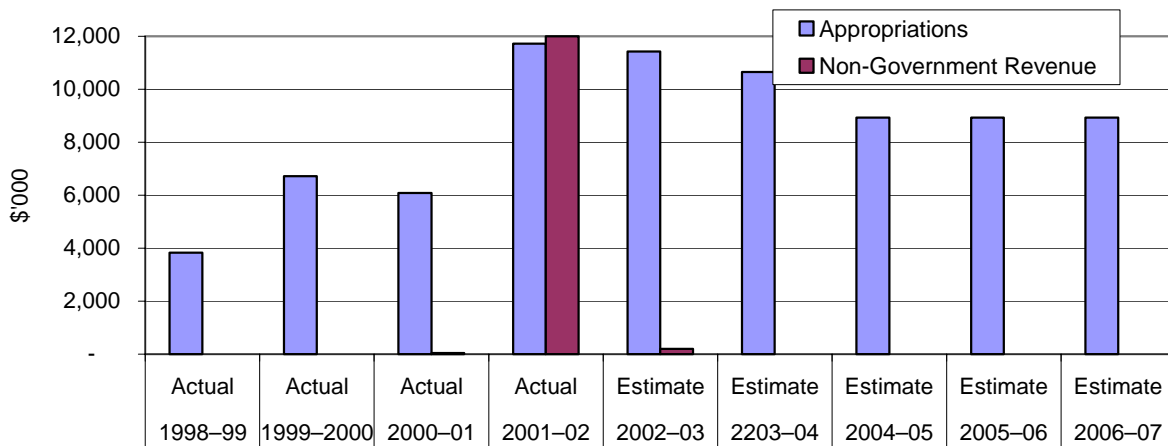
	Other infrastructure plant and equipment \$'000	Intangible s \$'000	Total \$'000
<b>Gross value</b>			
<i>At 1 July 2003 (opening)</i>	5 716	2 341	8 057
Additions	0	0	0
Disposals	0	0	0
Other movements	0	0	0
<i>At 30 June 2004 (closing)</i>	5 716	2 341	8 057
<b>Accumulated depreciation</b>			
<i>At 1 July 2003 (opening)</i>	3 218	2 312	5 530
Disposals	0	0	0
Charge for the reporting period	344	29	373
Other movements	0	0	0
<i>At 30 June 2004 (closing)</i>	3 562	2 341	5 903
<b>Net book value at 30 June 2004</b> (Closing book value)	<b>2 154</b>	<b>0</b>	<b>2 154</b>
<b>Net book value at 1 July 2003</b> (Opening book value)	<b>2 498</b>	<b>29</b>	<b>2 527</b>

## Analysis of Administered Budgeted Financial Statements

### Statement of Financial Performance

JHD will receive \$10 654k for payments it will administer on behalf of Government; this is \$776k lower than the 2002–03 estimate. These funds are used for the ongoing Administered asset replacement and refurbishment of works of the Parliament House in accordance with our required outcome. This reduction is in accordance with the funding arrangements in place with the Department of Finance and Administration.

The Non-Government Revenues are donations of artworks received on behalf of Parliament into the Parliament House Art Collection. The 2000–01 figure represents the recognition of the Magna Carta, which was valued at \$40M in our 2000–01 Annual Financial Statements. (For the purposes of this graph, the scale has been limited so that the graph can be viewed objectively.)

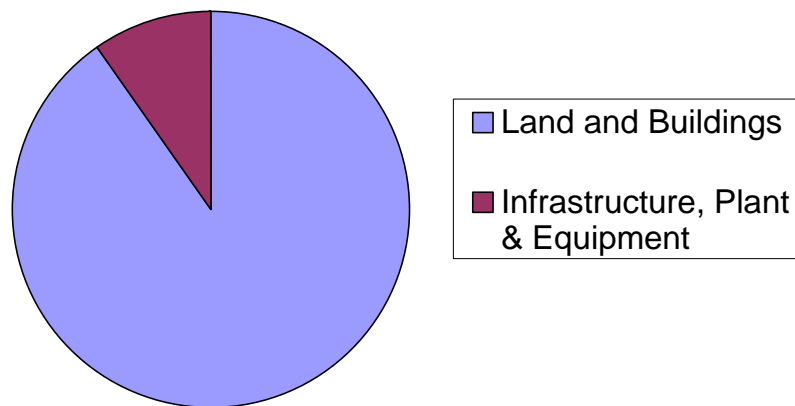


Further information may be read at Table 3.5.

### Statement of Financial Position

All Administered revenues are capitalised into Non-Current Assets. Where Administered projects are not completed at the end of the budget period, they are treated as Work in Progress and incorporated into the Land and Buildings.

#### Estimated Assets for 2002–03.



Further information may be read at Table 3.6.

**Table 3.5: Administered Financial Statements**  
**Budgeted Statement of Financial Performance**  
**(Budgeted Operating Statement)**

	Estimated actual 2002–03 \$'000	Budget estimate 2003–04 \$'000	Forward estimate 2003–04 \$'000	Forward estimate 2004–05 \$'000	Forward estimate 2005–06 \$'000
<b>Operating revenue</b>					
Revenues from government	11 430	10 654	8 930	8 930	8 930
Revenues from other sources	202	0	0	0	0
<b>Total operating revenues</b>	<b>11 632</b>	<b>10 654</b>	<b>8 930</b>	<b>8 930</b>	<b>8 930</b>
<b>Operating expenses</b>					
Depreciation and amortisation	27 822	28 511	28 122	27 673	27 233
Losses on Disposal of Fixed Assets	112	112	112	112	112
Other Costs	5	5	5	5	5
<b>Total operating expenses</b>	<b>27 939</b>	<b>28 628</b>	<b>28 239</b>	<b>27 790</b>	<b>27 350</b>
<b>Net contribution or cost to the budget outcome</b>	<b>(16 307)</b>	<b>(17 974)</b>	<b>(19 309)</b>	<b>(18 860)</b>	<b>(18 420)</b>
Accumulated Results— brought forward from prior periods	883 890	867 583	849 609	830 300	811 440
<b>Accumulated Results— per Statement of Financial Positions</b>	<b>867 583</b>	<b>849 609</b>	<b>830 300</b>	<b>811 440</b>	<b>793 020</b>

**Table 3.6: Administered Financial Statements**  
**Budgeted Statement of Financial Position**  
**(Budgeted Balance Sheet)**

	Estimated actual 2000–01 \$'000	Budget estimate 2003–04 \$'000	Forward estimate 2003–04 \$'000	Forward estimate 2003–04 \$'000	Forward estimate 2004–05 \$'000
<b>Assets</b>					
<b>Financial assets</b>					
Cash	0	0	0	0	0
Receivables	0	0	0	0	0
<b>Total financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-financial assets</b>					
Land and buildings	1 105 064	1 088 859	1 071 450	1 054 446	1 037 838
Infrastructure, plant and equipment	118 284	116 515	114 615	112 759	110 947
<b>Total non-financial assets</b>	<b>1 223 348</b>	<b>1 205 374</b>	<b>1 186 065</b>	<b>1 167 205</b>	<b>1 148 785</b>
<b>Total assets</b>	<b>1 223 348</b>	<b>1 205 374</b>	<b>1 186 065</b>	<b>1 167 205</b>	<b>1 148 785</b>
<b>Liabilities</b>					
Other Provisions	200	200	200	200	200
<b>Total provisions and payables</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>Equity</b>					
Capital	0	0	0	0	0
Reserves	355 565	355 565	355 565	355 565	355 565
Accumulated results	867 583	849 609	830 300	811 440	793 020
<b>Total equity</b>	<b>1 223 148</b>	<b>1 205 174</b>	<b>1 185 865</b>	<b>1 167 005</b>	<b>1 148 585</b>
<b>Total liabilities and equity</b>	<b>1 223 348</b>	<b>1 205 374</b>	<b>1 186 065</b>	<b>1 167 205</b>	<b>1 148 785</b>
Current liabilities	200	200	200	200	200
Non-current liabilities	1 223 148	1 205 174	1 185 865	1 167 005	1 148 585
Current assets	0	0	0	0	0
Non-current assets	1 223 348	1 205 374	1 186 065	1 167 205	1 148 785

**Table 3.7: Administered Financial Statements**  
**Budgeted Cash Flows Statement**

	Estimated actual 2000–01 \$'000	Budget estimate 2003–04 \$'000	Forward estimate 2003–04 \$'000	Forward estimate 2003–04 \$'000	Forward estimate 2004–05 \$'000
<b>Operating activities</b>					
<b>Cash received</b>					
Cash from					
Official Public Account	11 430	10 654	8 930	8 930	8 930
Other Income	0	0	0	0	0
<b>Total cash received</b>	<b>11 430</b>	<b>10 654</b>	<b>8 930</b>	<b>8 930</b>	<b>8 930</b>
<b>Cash used</b>					
Cash to					
Official Public Account	5	5	5	5	5
<b>Total cash used</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Net cash from operating activities</b>	<b>11 425</b>	<b>10 649</b>	<b>8 925</b>	<b>8 925</b>	<b>8 925</b>
<b>Investing activities</b>					
<b>Cash received</b>					
<b>Proceeds from Sale of Fixed Assets</b>	5	5	5	5	5
<b>Total cash received</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	11 430	10 654	8 930	8 930	8 930
<b>Total cash used</b>	<b>11 430</b>	<b>10 654</b>	<b>8 930</b>	<b>8 930</b>	<b>8 930</b>
<b>Net cash from investing activities</b>	<b>(11 425)</b>	<b>(10 649)</b>	<b>(8 925)</b>	<b>(8 925)</b>	<b>(8 925)</b>
<b>Financing activities</b>					
Total cash received	0	0	0	0	0
Total cash used	0	0	0	0	0
<b>Net cash from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash at beginning of reporting period	0	0	0	0	0
Net increase in cash held	0	0	0	0	0
<b>Cash at end of reporting period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.8: Administered Financial Statements**

<b>Non-financial Assets</b>					
<b>Summary of Movement for the Budget Year 2003–04</b>					
	Land	Buildings	Total land and buildings	Total infrastructure plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Gross value</b>					
<i>At 1 July 2003 (opening)</i>	21 500	1 198 161	1 219 661	132 125	1 351 786
Additions	0	9 596	9 596	1 058	10 654
Disposals	0	(27 515)	(27 515)	(3 034)	(30 549)
Other movements	0	0	0	0	0
<i>At 30 June 2004 (closing)</i>	21 500	1 180 242	1 201 742	130 149	1 331 891
<b>Accumulated depreciation</b>					
<i>At 1 July 2003 (opening)</i>	0	114 597	114 597	13 841	128 438
Disposals	0	(25 684)	(25 684)	(2 827)	(28 511)
Charge for the reporting period	0	27 398	27 398	3 034	30 432
Other movements	0	0	0	0	0
<i>At 30 June 2004 (closing)</i>	0	112 883	112 883	13 634	126 517
<b>Net book value as at 30 June 2004</b>					
(Closing book value)	<b>21 500</b>	<b>1 067 359</b>	<b>1 088 859</b>	<b>116 515</b>	<b>1 205 374</b>
<b>Net book value as at 1 July 2003</b>					
(Opening book value)	21 500	1 083 564	1 105 064	118 284	1 223 348
<b>Total Additions</b>					
Self funded	0	0	0	0	0
Appropriations	0	9 596	9 596	1 058	10 654
<b>Total</b>	<b>0</b>	<b>9 596</b>	<b>9 596</b>	<b>1 058</b>	<b>10 654</b>

## Notes to the Financial Statements

### Departmental

**Capital Use Charge** For the 2002–03 budget, the Capital Use Charge (CUC) has been applied at a rate of 6% plus 5%, and is reported as a separate item in the Departmental Budgeted Statement of Financial Performance.

The CUC has been discontinued for the 2003-04 and later budget years.

No CUC is applied to Administered items.



## Section 4:

### Purchaser/Provider Arrangements

#### Cross-departmental Overview

This section applies to arrangements under which the outputs of one department are purchased by another department to contribute to outcomes.

No formal purchaser/provider arrangements are anticipated in 2003–04 for JHD.

Included in the full price of outputs is the cost of resources received free of charge as listed below:

	<b>\$'000</b>
<b>Department of the Senate:</b>	
provision of printing, publications and security	<b>241</b>
<b>Department of the House of Representatives:</b>	
provision of chamber publications, printing and security services	<b>207</b>
<b>Department of the Parliamentary Library:</b>	
provision of library, research and information services	<b>226</b>
<b>Department of the Parliamentary Reporting Staff:</b>	
provision of Hansard publications, telecommunications, computer services and training	<b>2 486</b>
<b>Australian National Audit Office:</b>	
provision of external audit services	<b>95</b>
<hr/> <b>Total resources received free of charge</b> <hr/>	<hr/> <b>3 255</b> <hr/>

#### Responsibility

It is the responsibility of both JHD and the corresponding agency to liaise with each other to ensure that cross-departmental expenditure is recorded accurately. These are nominal entries processed at financial year end.

#### Performance against Outcomes and Outputs

Refer to Table 2.2 for performance measures.

## Glossary

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciable asset.
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control Administered items. Administered expenses include grants, subsidies and benefits. In many cases, Administered expenses fund the delivery of third party outputs.
Additional estimates	Where amounts appropriated at budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts. This is the Additional Estimates process.
Additional estimates bills or acts	These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments (Appropriations (Parliamentary Departments) Bill (No 2)). These Bills are introduced into Parliament after the Budget Bills.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the budget. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital expenditure	Expenditure by an agency on capital projects; for example, purchasing a building.
Capital Use Charge	The Capital Use Charge (CUC) is a dividend requirement levied on Commonwealth General Government Sector agencies and authorities. The Capital Use Charge payment is based on those agencies' and authorities' departmental net assets at financial year's end. Funding for the Capital Use Charge is included in agencies' and authorities' departmental price of outputs appropriation.

**Glossary (continued)**

Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services, and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	An expense recognised systematically for the purpose of allocating the depreciable amount of a depreciable asset over its useful life.
Deprival asset valuation	Values non-financial assets according to the current cost of their replacement. That is, non-financial assets are valued at the lowest cost of replacing the gross 'service potential' of those assets.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services.
Historical cost	The original cost of acquisition of an asset, including any costs associated with acquisition. Under Australian Accounting Standard 10 'Acquisition of Non-Current Assets', assets need to be reported initially at acquisition (historical cost). The Commonwealth's financial reporting requirements issued under the Finance Minister's Orders require the subsequent revaluation of non-current assets to their deprival value every three years.
Operating result	Equals revenues less expenses.
Outcomes	The results, impacts or consequences of actions by the Commonwealth on the Australian community. Outcomes are the results or impacts that the Government wishes to achieve. Actual outcomes are the results or impacts actually achieved.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs include goods and services for other areas of government external to the agency.

**Glossary (continued)**

Price	The amount the government or the community pays for the delivery of agreed outputs.
Quality	Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between users' expectations and experiences.
Quantity	Size of an output. Count or volume measures. How many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services
Special appropriations	Moneys appropriated by Parliament in an act separate to an annual appropriation act, where the payment is for a specified amount. Special appropriations are not subject to Parliament's annual budget control, unlike the annual appropriations.