

Department of the Parliamentary Library

Portfolio Additional Estimates Statement 2001-02

Explanation of Additional Appropriation
Specified by Outcome and Outputs

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Speaker of the House of Representatives
Parliament House
CANBERRA ACT 2600

MADAM PRESIDENT
MR SPEAKER

I hereby submit the Portfolio Additional Estimates Statement in support of the 2001-02 Additional Estimates for the Department of the Parliamentary Library.

This statement has been developed, and submitted to the Parliament, as a statement on the funding requirements being sought for the department.

J. W. Templeton
Acting Secretary

12 February 2002

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PART A
USER GUIDE

USER GUIDE

INTRODUCTION

The purpose of the Portfolio Additional Estimates Statement (PAES), like that of the Portfolio Budget Statement, is to inform Senators and Members of Parliament of the proposed allocation of resources to the Department of the Parliamentary Library (DPL) outcome. It also facilitates understanding of the proposed appropriation in the *Appropriation (Parliamentary Departments) Bill (No.2) 2001–2002*.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENT

The PAES is presented in three parts with subsections.

Part A: User guide

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

Part B: Portfolio overview

Provides an overview of the portfolio. The structure of the portfolio outcome is depicted in a chart that outlines the structure of the outcome to which the portfolio contributes.

Part C: Agency additional estimates statement

For each agency within the portfolio that has an impact on Additional Estimates a statement is presented under the name of the agency.

Section 1: Agency overview, additional estimates and variations to outcome

This section details the link between the resources appropriated and savings and their application to the outputs, which contribute, to the achievement of the outcome and the impact of any post Budget measures.

Section 2: Revisions to outcome and outputs

This section details changes to planned outcome and the contributing agency outputs.

Section 3: Budgeted financial statements

This section contains the four budgeted financial statements in accrual format covering budget year, previous year and the three outyears for the agency.

Glossaries are provided at the end of the document.

STYLES AND CONVENTIONS USED

The PAES has been prepared on an accrual basis in accordance with the Department of Finance and Administration's *Guidelines for the preparation of the 2001-02 Portfolio Additional Estimates Statements*.

The style convention used in the document is to round the amount in the tables to the nearest \$'000. All 'totals' are the rounded additions of unrounded figures. Any discrepancies in tables between totals and sum of components are due to rounding.

Numbers relating to staffing levels are given in whole numbers.

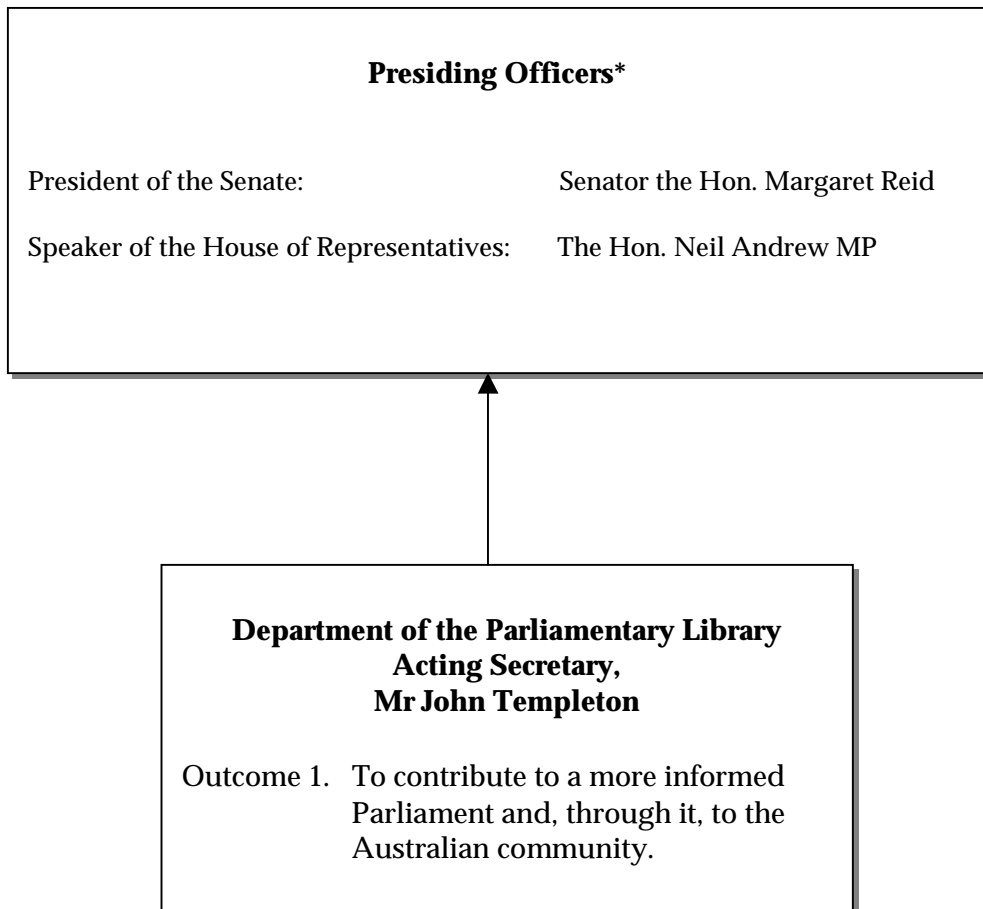
PART B

DEPARTMENTAL OVERVIEW

Departmental Overview

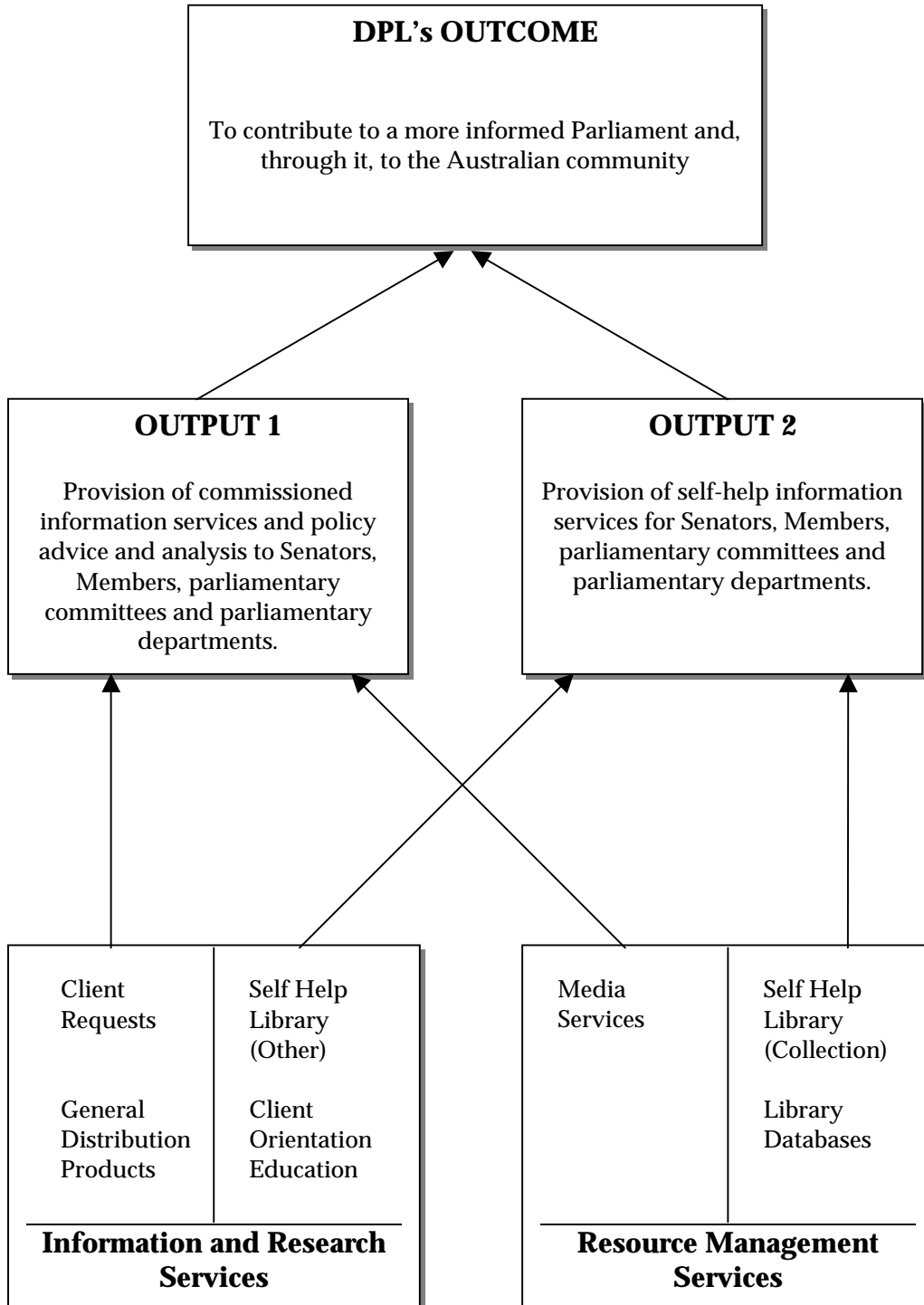
There has been no change to DPL's outcome, outputs or structure to that stated in the PBS.

Map 1: Structure of the Department of the Parliamentary Library Outcome



* The Speaker is the Chair and the President is the Deputy Chair of the joint Library Committee.

Outcome and Outputs Overview



PROGRAM AND FUNCTIONAL AREAS

Program

1. Information and Research Services

Functional Areas

Client Relations and Services Section
Economics, Commerce and Industrial Relations
Group
Foreign Affairs, Defence and Trade Group
Law and Bills Digest Group
Politics and Public Administration Group
Science, Technology, Environment and Resources
Group
Social Policy Group
Statistics Group

2. Resource Management Services

Secretary's Office
Finance and Support Services Section
Information Resources Section
Information Systems and Web Services Section
Library Databases Section
Human Resources

DPL's VISION

To be the leading information and analysis resource for the Australian Parliament.

DPL's MISSION

To support the parliamentary process by providing Senators and Members with quality information services, analysis and advice.

DPL's VALUES

In addition to the Parliamentary Service Values established by the *Parliamentary Service Act 1999*, DPL has the following values:

Excellence in Service

Confidentiality

Impartiality

Ethics and Integrity

Cost-effectiveness

Continuous Development

PART C

ADDITIONAL ESTIMATES STATEMENTS

DEPARTMENT OF THE PARLIAMENTARY LIBRARY

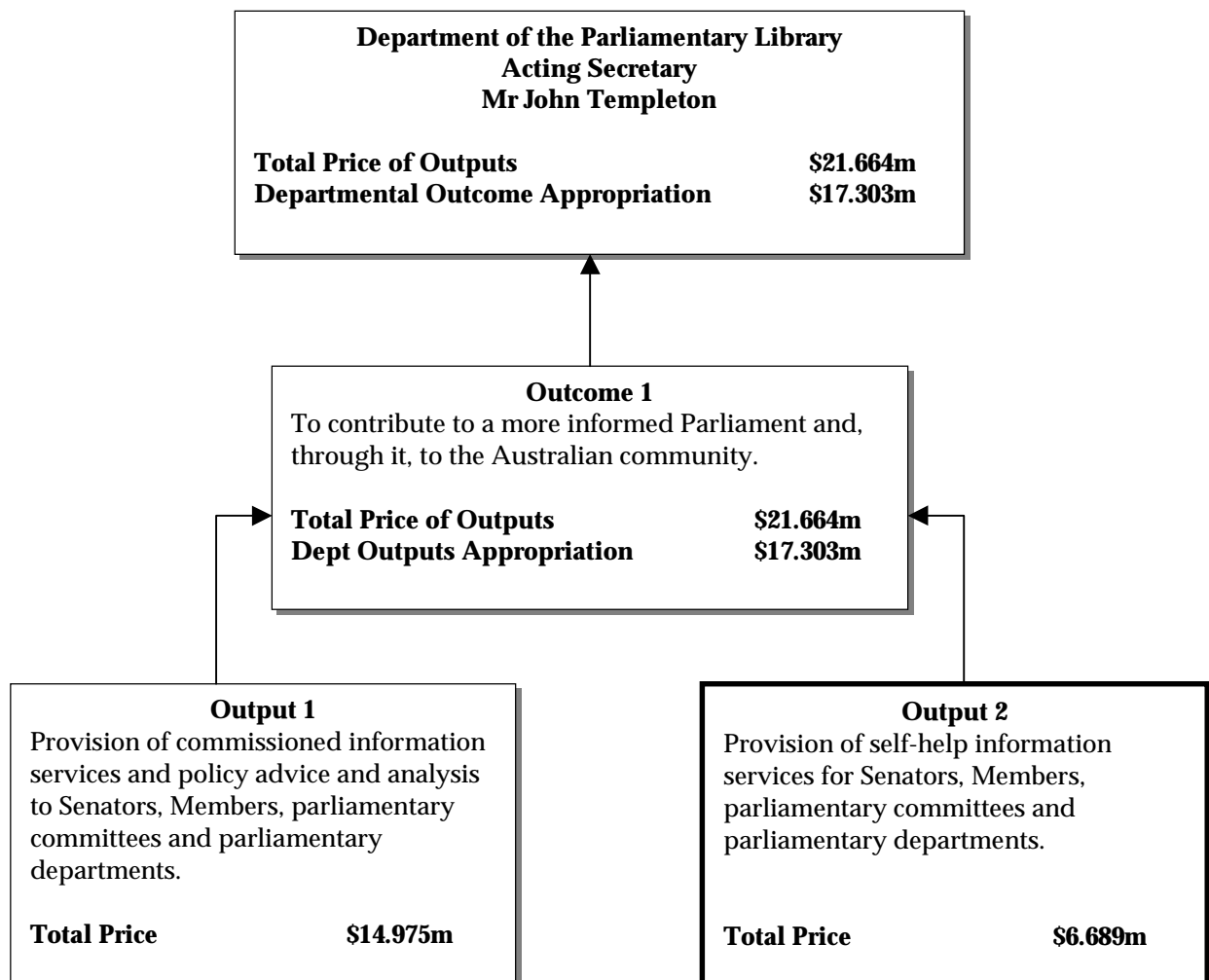
Section 1: Overview, variations and measures

OVERVIEW

There are no changes to DPL’s role, mission, outcome, outputs, evaluation program, competitive tendering and contracting or purchase provider practices as a result of Additional Estimates.

The Additional Estimates of \$474,000 affect Output 2 solely.

Map 2: Outcome & Outputs



ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOME

Additional appropriation of \$0.474m has been allocated through Additional Estimates to DPL's single outcome to meet the expected increase in expenses arising from the revaluation of its Library Collection as at 30 June 2001.

This amount includes:

- \$0.260m supplementation for increased depreciation expenses; and
- \$0.214m increase in the capital use charge.

The variations noted above have not resulted in any changes which would affect achievement of DPL's outcome and outputs.

MEASURES

There are no measures applying to DPL for 2001-02.

Variations to appropriations

	2001-02	2002-03	2003-04	2004-05
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Outcome 1				
Increase in departmental appropriations				
Depreciation supplementation	260	260	260	260
Revised capital use charge	214	214	214	214
Total increase in departmental appropriations	474	474	474	474

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATIONS BILL

Table 1.1 - Appropriation (Parliamentary Departments) Bill (No 2) 2001-02

	2000-01 available # \$'000	2001-02 budget \$'000	2001-02 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1					
To contribute to a more informed Parliament and, through it, to the Australian community.	16,601	16,829	17,303	474	0
Total	16,601	16,829	17,303	474	0
<i>Appropriation (Parliamentary Departments) Bill (No. 2) 2001-02</i>					
(Departmental only)					
TOTAL	16,601	16,829	17,303	474	0

2000-01 Available Appropriation is included to allow a comparison of this year's appropriation with that made available for use in the previous year. Available Appropriation was the amount available to be drawn down in financial year 2000-01, and is equal to:

Budget Appropriation + Additional Estimates Appropriation + Departmental Items, Adjustments and Borrowings + Advance to the Presiding Officers – Saving.

SUMMARY OF STAFFING CHANGES

Table 1.2: Average staffing level (ASL)

	2001-02 Budget	2001-02 Revised	Variation
Outcome 1			
To contribute to a more informed Parliament and, through it, to the Australian community.	161	161	0
Total	161	161	0

Section 2: Revisions to Outcome and outputs

OUTCOME AND OUTPUTS

The Additional Estimates process has not resulted in any change to DPL's outcome, outputs or structure which would affect the achievement of its single Outcome 1.

Outcome 1

Explanation of variations

The additional appropriation of \$0.474m in 2001-02 is for Output 2. This amount includes;

- \$0.260m supplementation for depreciation expenses resulting from revaluation of Library Collection undertaken at 30 June 2001: and
- \$0.214m increase in the capital use charge following changes to the net assets resulting from the revaluation undertaken at 30 June 2001 and a reduction in the capital use charge rate from 12% to 11%.

Section 3: Budgeted Financial Statements

Revisions to the budgeted departmental financial statements for the Department of the Parliamentary Library since the 2001-02 PBS are presented in this section.

Budgeted Departmental Statement of Financial Performance

This statement provides a picture of the expected financial results for the Department by identifying full accrual expenses, revenues and capital use charge, which highlights whether or not the Department is operating at a sustainable level in the short run. A material component of the operating expenses is resources received free of charge.

Budgeted Departmental Statement of Financial Position

Shows the financial position of the Department. It enables decision-makers to track the management of the Department's assets and liabilities.

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 Non-Financial Assets – Summary of Movement

Shows proposed acquisitions and disposals of non-financial assets during the budget year.

**Table 3.1: Budgeted Departmental Statement of Financial Performance
for the period ended 30 June 2002**

	Actual 2000-01 \$'000	Revised Budget 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
Revenue from ordinary activities					
Revenues from Government	20,467	21,528	21,508	21,542	21,842
Sales of goods and services	10	12	12	12	12
Interest	202	121	121	121	121
Net gain from sales of assets	26	3	3	3	3
Net foreign exchange gains	-	-	-	-	-
Other	-	-	-	-	-
Total revenues from ordinary activities	20,705	21,664	21,644	21,678	21,978
Expenses from ordinary activities					
Employees	11,803	11,379	11,493	11,620	11,747
Suppliers	6,525	7,307	7,204	7,209	7,442
Depreciation and amortisation	2,023	2,050	2,019	1,921	1,861
Disposals of assets	-	-	-	-	-
Write down of assets	-	-	-	-	-
Total expenses from ordinary activities	20,351	20,736	20,716	20,750	21,050
Net surplus or deficit from ordinary activities	354	928	928	928	928
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	354	928	928	928	928
Aggregate of amounts transferred to/from Reserves	-	-	-	-	-
Capital use charge	714	928	928	928	928
Net surplus or deficit after capital use charge	(360)	-	-	-	-

**Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June 2002**

	Actual 2000-01 \$'000	Revised Budget 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
ASSETS					
Financial assets					
Cash	(1)	42	42	52	62
Investments	3,535	3,353	4,213	4,010	4,487
Other	113	84	88	89	78
Total financial assets	3,647	3,479	4,343	4,151	4,627
Non – financial assets					
Infrastructure, plant and equipment	7,663	7,107	6,591	6,394	5,861
Intangibles	1,074	838	600	610	546
Other	479	791	555	606	648
Total non-financial assets	9,216	8,736	7,746	7,610	7,055
Total Assets	12,863	12,215	12,089	11,761	11,682
LIABILITIES					
Provisions and payables					
Employees	4,155	3,689	3,608	3,280	3,203
Suppliers	275	93	48	48	46
Total provisions and payables	4,430	3,782	3,656	3,328	3,249
Total Liabilities	4,430	3,782	3,656	3,328	3,249
Net Assets	8,433	8,433	8,433	8,433	8,433
EQUITY					
Capital	90	90	90	90	90
Reserves	4,983	4,983	4,983	4,983	4,983
Accumulated surpluses or deficits	3,360	3,360	3,360	3,360	3,360
Total equity	8,433	8,433	8,433	8,433	8,433
Current liabilities	1,485	1,147	1,096	753	794
Non-current liabilities	2,945	2,635	2,560	2,575	2,455
Current assets	4,127	4,270	4,898	4,757	5,275
Non-current assets	8,736	7,945	7,191	7,004	6,407

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June 2002**

	Actual 2000-01 \$'000	Revised Budget 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	16,601	17,303	17,283	17,317	17,619
Sale goods and services	9	41	8	11	21
Interest	212	121	121	121	121
Other	-	3	3	3	3
Total cash received	16,822	17,468	17,415	17,452	17,762
Cash used					
Employees	11,595	11,845	11,574	11,947	11,824
Suppliers	2,461	3,576	2,788	3,035	3,261
Other	-	-	-	-	-
Total cash used	14,056	15,421	14,362	14,982	15,085
Net cash from operating activities	2,766	2,047	3,053	2,470	2,677
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	29	-	-	-	-
Proceeds from matured investments	-	182	-	203	-
Total cash received	29	182	-	203	-
Cash used					
Purchase of property, plant and equipment	1,030	1,258	1,265	1,735	1,003
Term deposits	970	-	860	-	520
Total cash used	2,000	1,258	2,125	1,735	1,523
Net cash from investing activities	(1,971)	(1,076)	(2,125)	(1,532)	(1,523)
FINANCIAL ACTIVITIES					
Cash used					
Capital use charge paid	719	928	928	928	928
Total cash used	719	928	928	928	928
Net cash from financing activities	(719)	(928)	(928)	(928)	(928)
Net increase/decrease in cash held	76	43	-	10	10
Cash at the beginning of the reporting period	(77)	(1)	42	42	52
Cash at the end of the reporting period	(1)	42	42	52	62

Table 3.4: Departmental Non-Financial Assets – Summary of Movement
(Budget Year 2001-02)

	Land and Buildings \$'000	Other infrastructure, plant and equipment ¹ \$'000	Intangibles \$'000	Pre-payments and inventory \$'000	Total \$'000
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GROSS VALUE

<i>As at 1 July 2001 (opening)</i>	-	10,935	3,079	660	14,674
Additions	-	894	364	-	1,258
Disposals	-	-	-	-	-
Other movements	-	-	-	131	131
<i>As at 30 June 2002 (closing)</i>	-	11,829	3,443	791	16,063

ACCUMULATED DEPRECIATION

<i>As at 1 July 2001 (opening)</i>	-	3,272	1,456	-	3,938
Disposals	-	-	-	-	-
Charge for the reporting period	-	1,451	599	-	1,790
Other movements	-	-	-	-	-
<i>As at 30 June 2002 (closing)</i>	-	4,723	2,055	-	6,778
Net book value as at 30 June 2002 (closing book value)	-	7,106	1,388	791	9,285
Net book value as at 1 July 2001 (opening book value)	-	7,663	1,623	660	10,736

TOTAL ADDITIONS

	Land and Buildings \$'000	Other infrastructure, plant and equipment ¹ \$'000	Intangibles \$'000	Collection ¹ \$'000	Total \$'000
Self funded	-	554	364	340	1,258
Appropriations	-	-	-	-	-
Total	-	554	364	340	1,258

¹ In the Gross Value and Accumulated Depreciation tables, "Other infrastructure, plant and equipment" includes DPL's Library Collection, which was revalued as at 30 June 2001. The Total Additions table shows the breakup.

Notes to the Financial Statements

Basis of accounting

The departmental budget statements are prepared in compliance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.

Departmental

Note 1: Appropriation

The increase in 2001-02 appropriation of \$0.474m represents the net effect on depreciation and capital use charge resulting from the revaluation of DPL's Library Collection as at 30 June 2001. DPL's net book value increased by \$2.486m.

Note 2: Depreciation expense

DPL's depreciation expense for its Library Collection increased from \$0.513m to \$0.773m, ie an increase of \$0.260m, due to the revaluation exercise in 2000-01.

Note 3: Capital use charge

The capital use charge for 2001-02 (\$0.928m) is calculated at 11% of DPL's net assets as at 30 June 2001 (\$8.433m).

Note 4: Asset valuation

The Library Collection has been valued using the deprival method of valuation and the methodology recommended by the Australian Valuation Office.

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.
Accumulate depreciation	The aggregate depreciation recorded for a particular depreciable asset.
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 Bill or Act	For DPL, this is the Appropriation (Parliamentary Departments) Bill (No. 2) each year. Additional Estimates Bills are introduced into Parliament after the Budget Bills.
Advance to the Presiding Officers	The contingency provisions appropriated to meet urgent resource requirements either not foreseen at the time of preparation of the relevant Bill or erroneously omitted or understated in that Bill.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund.
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. The CUC payment is based on the Departmental net assets at financial year end. Funding for the CUC is included in the Departmental price of outputs appropriation.
Departmental items	Assets, liabilities, revenue and expenses which are controlled by the agency in providing its outputs. Departmental items 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 agency after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services.
Forward estimates	A system of rolling three year financial estimates. After the Budget is passed, the first year of the forward estimates becomes the base for the next year’s Budget bid, and another outyear is added to the forward estimates.

Intangibles	Assets that embody future economic benefits but do not have physical substance. DPL's intangibles are internally developed and externally acquired computer software.
Liabilities	Future sacrifices of economic benefits that an entity is presently obliged to make to other entities as a result of past transactions or other past events.
Measures	A decision by the Executive that has been finalised since the 2000-01 Budget and has resulted in a change in expenditure in the years 2001-02 to 2004-05.
Operating result	Equals revenue less expense.
Outcomes	The results, impacts or consequences of actions by the Commonwealth on the Australian community. Outcomes are the results or impacts that the Commonwealth wishes to achieve. Actual outcomes are the results or impacts actually achieved.
Outputs	The goods and services produced by agencies on behalf of the Commonwealth for external organisations or individuals. Outputs include goods and services produced for other areas of the Commonwealth external to the agency.
Price	The amount the Commonwealth or the community pays for the delivery of agreed outputs.
Quality	Relates to the characteristics by which clients or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's 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.

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