

PORTFOLIO BUDGET STATEMENTS 2011-12

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

**BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES
AND PROGRAMS BY AGENCY**

BUDGET RELATED PAPER NO. 1.19A

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Printed by the Department of the House of Representatives



HARRY JENKINS MP
PARLIAMENT HOUSE
CANBERRA 2600

SPEAKER OF THE HOUSE OF REPRESENTATIVES

Honourable Members

I hereby submit Portfolio Budget Statements in support of the 2011-12 Budget for the Department of the House of Representatives.

These statements have been developed, and are submitted to the House of Representatives, to inform members of the allocation of resources to the outcome for the department.

I present these statements to provide accountability to the House and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'H. Jenkins'.

HARRY JENKINS
Speaker

10 May 2011

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
..	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

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A copy of this document can be located on the Australian Parliament House website at <http://www.aph.gov.au/house/dept/pbs2011/index.htm> and also on the Australian Government Budget website at: <http://www.budget.gov.au>.

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the 2011-12 Portfolio Budget Statements (PB Statements) is to inform Members of Parliament of the proposed allocation of resources to the outcome of the Department. The Department receives resources from the annual appropriation's acts, (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in the Appropriation Bill (Parliamentary Departments) Bill No. 1 2011-12. In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

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DEPARTMENTAL OVERVIEW

THE DEPARTMENTAL OF THE HOUSE OF REPRESENTATIVES OVERVIEW

Departmental responsibilities

The Department is one of three parliamentary departments supporting the Australian Parliament.

The Department's purpose, as set out in its Corporate Plan, is:

To support the House of Representatives, and the wider Parliament, in the role of a representative and legislative body by providing advice and services of a high standard.

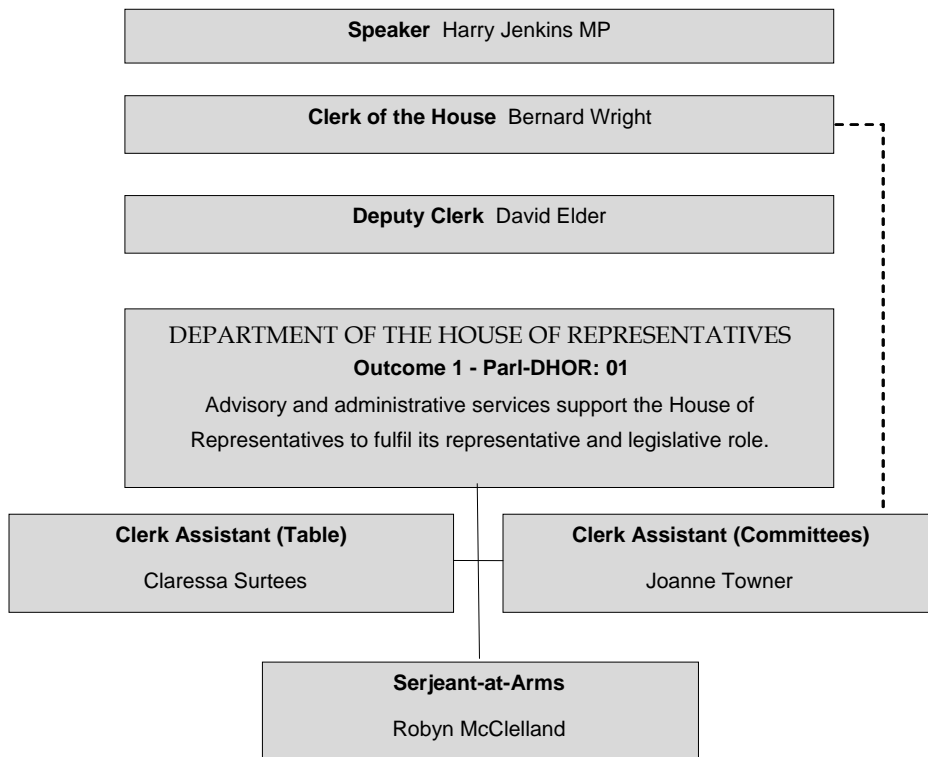
The Department provides facilities, support, advice and information to ensure that:

- the Chamber and Main Committee operate effectively;
- parliamentary committees operate effectively;
- Members receive appropriate services to fulfil their parliamentary duties;
- international and regional relationships with other parliaments, parliamentary bodies and organisations are maintained; and
- the community understands, and interacts with, the work of the House of Representatives and the Australian Parliament.

The Speaker, Mr Harry Jenkins, MP, has accountability obligations to the House of Representatives for the Department. The Clerk of the House of Representatives, Mr Bernard Wright, is responsible for leading the Department.

The Department works with the Department of the Senate, the Department of Parliamentary Services, the Office of the Governor-General and relevant government agencies to ensure the outcomes of parliamentary proceedings are processed and recorded accurately and on time.

Figure 1: Department structure and outcome



DEPARTMENTAL RESOURCES

Table 1 shows the total new resources provided to the department in the 2011-12 budget year.

Table 1: Departmental Resources 2011-12

	Appropriation			Receipts	Total
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
Department of the House of Representatives					
Departmental appropriations	23.253	-	0.006	0.857	24.116
Total:					
Department total	23.253	-	0.006	0.857	24.116
	Resources available within department:				24.116

Department of the House of Representatives

Agency resources and planned performance

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

Section 1: Departmental overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department is committed to the delivery of high standards of service to the House of Representatives, its committees and Members; to the wider Parliament; and to the public in the face of a changing economic environment. Our priorities are to build on our capacity to serve our clients, to develop our people, to sustain our capability and to work collaboratively within the Department and with other key people and organisations. The Department must continue to innovate to keep pace with technological change to sustain the quality of our service delivery and to facilitate continuous improvement.

The Department's activity levels reflect the parliamentary cycle, with significant variations in activity over the three years of a parliament. The financial year 2011-12 marks the peak year in the current parliamentary cycle and activity levels across all areas of operations of the Department are expected to be high. In addition to these pressures, the advent of the 43rd Parliament, with the first minority government in the House of Representatives for nearly 70 years, has increased the pressure on advice and service delivery. There are additional sitting hours for the House and Main Committee and an additional joint parliamentary committee on the National Broadband Network that is being supported by the Department. The Department has been successful in obtaining additional funding for both these measures, although the increase in the efficiency dividend to 1.5 per cent for the Budget and following year will require expenditure constraint to enable the Department to deliver increased service levels within budget. The additional funding for the new measures should take considerable pressure off the Department's budgetary position in 2011-12 and 2012-13. In the longer term, however, the Department's budgetary projections show that the budgetary position will remain tight in the forward years. Consequently, the Department will continue to adopt a conservative approach to the use of resources through the 43rd Parliament including continually seeking to deliver its services as efficiently as possible. The establishment of a Standing Committee on Appropriations and Administration is significant and will allow for the involvement of Members in departmental funding arrangements.

The Department has implemented a common service arrangement providing payroll services for the Department of Parliamentary Services. Other common services will be examined to identify further opportunities for cooperation with the other parliamentary departments. Within the budgetary parameters set for the Department, there will continue to be a focus on technological innovation as a means of enhancing our effectiveness in supporting the House of Representatives.

An external review of committee office staffing levels, completed in March 2011, endorsed a preferred model of committee support and associated staffing level and proposed a modest increase in resources for committees. This report will be central in managing the strategic direction of committee support in future years and will be the subject of consultation with the Liaison Committee of Chairs and Deputy Chairs and the House Standing Committee on Appropriations and Administration.

1.2 DEPARTMENTAL RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources.

Table 1.1: Department of the House of Representatives Resource Statement — Budget Estimates for 2011-12 as at Budget May 2011

	Estimate of prior year amounts + available in 2011-12 \$'000	Proposed at Budget = 2011-12 \$'000	Total estimate 2011-12 \$'000	Actual available appropriation 2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	10,450	-	10,450	10,481
Departmental appropriation ³	-	23,253	23,253	22,387
s31 Relevant agency receipts ⁴	-	857	857	825
Total	10,450	24,110	34,560	33,693
Total appropriations excluding Special Accounts	A 10,450	24,110	34,560	33,693
	Estimate of prior year amounts + available in 2011-12 \$'000	Proposed at Budget = 2011-12 \$'000	Total estimate 2011-12 \$'000	Actual available appropriation 2010-11 \$'000
Special Accounts				
Opening balance ⁵	2,466	-	2,466	2,510
Appropriation receipts ⁶	-	141	141	141
Non-appropriation receipts to Special Accounts	-	6	6	51
Total Special Account	B 2,466	147	2,613	2,702
Total resourcing				
A+B	12,916	24,257	37,173	36,395
Less appropriations drawn from annual appropriation above and credited to special accounts	-	141	141	141
Total net resourcing for the Department of the House of Representatives	12,916	24,116	37,032	36,254

¹ Appropriation (Parliamentary Departments) Bill (No. 1) 2011-12

² Estimated adjusted balance carried forward from previous year

³ Includes an amount of \$1.405m in 2011-12 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

⁴ s31 Relevant Agency receipts - estimate

⁵ Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.1.

⁶ Appropriation receipts from departmental annual and special appropriations for 2010-11 included above

Reader note: All figures are GST exclusive.

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Third Party Payments from and on behalf of other agencies

	2011-12	2010-11
	\$'000	\$'000
Payments made on behalf of the Department of Finance and Deregulation (disclosed in the respective Agency Resource Statement)	2,415	2,340
Payments made on behalf of the Department of Education, Employment and Workplace Relations ¹ (disclosed in the respective Agency Resource Statement)	-	6,085
Payments made on behalf of the Australian Public Service Commission (disclosed in the respective Agency Resource Statement)	30,093	22,638

¹ Payments up until the Administrative Arrangement Orders in September and October 2010 transferred the appropriation to the Australian Public Service Commission.

1.3 BUDGET MEASURES

Budget measures relating to the Department are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2011-12 Budget measures

	2010-11	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m	\$m
Expense measures¹					
Additional sitting hours of the House and Main Committee					
Departmental expenses	-	0.502	0.506	-	-
Joint Committee on the National Broadband Network - establishment					
Departmental expenses	-	0.516	0.521	0.525	0.529
Efficiency dividend - temporary increase in the rate					
Departmental expenses	-	-0.106	-0.225	-0.276	-0.335
Efficiency dividend - temporary increase in the rate					
Departmental capital expenses	-	-0.007	-0.013	-0.017	-0.021
Total	-	0.905	0.789	0.232	0.173

Prepared on a Government Finance Statistics (fiscal) basis

¹ A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increase expenses.

The Government has agreed that \$1.008m should be provided over two years from 2011-12 to the department to support the additional sitting hours of the House and Main Committee. This measure terminates on 30 June 2013.

The Government has agreed that \$2.091m should be provided over four years from 2011-12 to the department to support the new Joint Committee on the National Broadband Network. The Committee will report to both Houses of Parliament and to shareholder Ministers every six months, commencing on 31 August 2011.

1.4 DEPARTMENTAL PROGRAM FRAMEWORK

The Department has one program containing five components.

Figure 2: Program component table

2011-12 Budget year

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

Program Component 1.1: Chamber & Main Committee
<p>Departmental Activities: <i>Resources supporting the effective operation of the Chamber and Main Committee of the House of Representatives.</i></p>

Program Component 1.4: Inter-parliamentary Relations
<p>Departmental Activities: <i>Provision of advice and support to facilitate the conduct of the Parliament's international and regional affairs.</i></p>

Program Component 1.2: Community Awareness
<p>Departmental Activities: <i>Resources supporting the provision of services to increase community understanding of, and interaction with the work of the House of Representatives and the Commonwealth Parliament.</i> <i>Revenue from other sources (s31)</i></p>

Program Component 1.5: Members' Services
<p>Departmental Activities: <i>Provision of advice, services and support to Members in Parliament House.</i> <i>Payment of Members' salaries and allowances.</i></p>

Program Component 1.3: Committee Services
<p>Departmental Activities: <i>Resources supporting the House of Representatives and some joint committees in fulfilling their role in the parliamentary consideration of policy and legislation and the scrutiny of government.</i></p>

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Parliamentary outcomes are the intended results, impacts or consequences of actions by the Parliament for the Australian community. Parliamentary agencies deliver programs which are designed to support the delivery of the stated outcomes.

The Department's outcome is described below together with its related program, specifying the performance indicators and targets used to assess and monitor performance.

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.

Outcome 1 Strategy

The *Parliamentary Service Act 1999* sets out the legal framework for a non-partisan parliamentary service to serve the Australian Parliament and provides for the management, leadership and responsibilities of parliamentary service employees. The Act establishes this department, the Department of the Senate and the Department of Parliamentary Services. The other two parliamentary departments report to the Parliament separately each year.

During 2011-12, the Department will continue its role as an advisory and service department for the Parliament, supporting the work of the House of Representatives, including its Members in their parliamentary duties, its committees, and some joint committees. The Department will continue its focus on assistance to the House and the Parliament in their relations within Australia and internationally, and on the provision of information about the work of the House to the community.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for the Department's outcome and program.

Outcome 1: Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.	2010-11 Estimated actual expenses \$'000	2011-12 Estimated expenses \$'000
Program 1: Other Departmental DHOR		
Departmental expenses		
Departmental appropriation ¹	21,261	22,559
Special Accounts	146	146
Expenses not requiring appropriation in the Budget year ²	4,322	4,493
Total for Program 1	25,729	27,198
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	21,261	22,559
Special Accounts	146	146
Expenses not requiring appropriation in the Budget year ²	4,322	4,493
Total expenses for Outcome 1	25,729	27,198
Average Staffing Level (number)	2010-11 158	2011-12 164

¹ Departmental Appropriation combines "Ordinary annual services Appropriation (Parliamentary Departments) Bill (No. 1)" and "Revenue from independent sources (s31)".

² Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Resources Received Free of Charge and Gains on Sale of Assets.

Contributions to Outcome

Program – Department of the House of Representatives

Program objectives

- The provision of advice and services of the highest standard to support the Chamber and Main Committee.
- The provision of resources to increase community understanding of, and interaction with, the work of the House of Representatives and the Commonwealth Parliament.
- To support House of Representatives committees as well as some joint committees in fulfilling their role in the parliamentary consideration of policy and legislation and the scrutiny of government.
- To provide advice and support to facilitate the conduct of the Parliament's international and regional affairs.
- The provision of resources that support the on-going development and maintenance of staff knowledge and skills, systems and processes.
- To facilitate the payment of Members' salaries and allowances¹.
- To provide impartial and prompt advice and services to support Members in Parliament House.

¹Linked to:

Department of Finance and Deregulation

- Program 1.2; Public Sector Superannuation Benefits
- Program 3.1; Ministerial and Parliamentary Services

Australian Public Service Commission

- Program 1.2; Parliamentarians' and Judicial Office Holders' Remuneration and Entitlements

Program expenses

- Departmental activity levels are tied to the parliamentary cycle and will reach a peak in the coming financial year as the middle of the three year parliamentary cycle. As a result of the Budget measures, the Department expects that it will be able to maintain its services, although the budget will be tight.
- The Department will continue working with the other parliamentary departments to identify areas of common corporate services that would provide opportunities to maximise efficiency and minimise expenditure.

	2010-11 Revised budget \$'000	2011-12 Budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
('000)					
Special Account Expenses:					
<i>Inter-Parliamentary Relations Special Account</i>	186	141	141	141	141
<i>Services for Other Government and Non-Departmental Bodies</i>	-	-	-	-	-
<i>Other Trust Moneys Account - House of Representatives</i>	5	5	5	5	5
Annual departmental expenses:					
Other Departmental DHOR	21,261	22,559	22,826	22,445	22,600
Expenses not requiring appropriation in the Budget year ¹	4,322	4,493	4,402	4,412	4,434
Total program expenses	25,774	27,198	27,374	27,003	27,180

¹ Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Resources Received Free of Charge and Gains on Sale of Assets.

Program Deliverables

- Services and advice to the Speaker, Members and others in accordance with legislation and administrative decisions.
- Advice and services to enable the Chamber and Main Committee to meet and address business as scheduled. This includes processing and drafting bills, creating and processing the records and documents of the House and the collection, analysis and publication of procedural and statistical information.
- Services to increase public knowledge and awareness of and interaction with, the work of the House of Representatives and the Commonwealth Parliament. The Department's community outreach program includes a magazine, television program, website, email alert service, advertising, media liaison, seminars and other presentations. The Department will continue to support the Parliamentary Education Office, which is jointly funded by the Department and the Department of the Senate.
- Procedural, research, analytical and administrative support for the conduct of inquiries and other activities of committees.
- Advice and support to facilitate and maintain international and regional relationships with other Parliaments, parliamentary bodies and organisations. Assistance to developing Parliaments within the Asia/Pacific region through the education trust fund will continue.
- Advice and services relating to Members' salaries and allowances and certain other entitlements.
- Advice and services to Members in Parliament House relating to accommodation, computing and communication facilities and office services.
- Asset replacement activity for Members' offices within Parliament House during the budget year will include the roll-out of multi-function printers.

Program - Key Performance Indicators

- Member satisfaction with the quality and timeliness of Chamber support and advisory services (target: 99 percent satisfaction rate)
- Percentage of Chamber support service standards met for sittings of the House and meetings of the Main Committee, with no significant errors (target: 100 percent)
- Percentage of bills (proposed legislation) processed within deadlines and with no significant errors (target: 100 percent)
- Member satisfaction with the quality and availability of procedural and statistical publications and support in obtaining such information (target: 90 percent)
- Number of participants in community awareness programs such as seminars, school visits, subscribers to email alert service and magazine continues to increase over time.
- 90 percent satisfaction rate of committee members with advice and services provided.
- Rate of satisfaction of Presiding Officers, delegates and diplomatic representatives with arrangements for incoming and outgoing delegations. Levels of participation in parliamentary organisations and quality of policy advice. Rate of satisfaction of Parliaments in the Pacific region with the training and equipment purchases provided through the education trust fund.
- All variations to salary and allowances and salary increases are processed with an accuracy of at least 99 percent.
- Rate of satisfaction of Members and others with the provision of accommodation, computing and communication and office support services (target: 95 percent).
- Number of accommodation related services provided to Members.
- Effectiveness of the program is measured through surveys, trends over time and formal and informal feedback.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2011-12 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department.

Table 3.1.1: Estimates of Special Account Flows and Balances

Name of account	Outcome	Opening	Receipts	Payments	Adjustments	Closing
		balance	2011-12	2011-12	2011-12	balance
		2010-11	2010-11	2010-11	2010-11	2010-11
		\$'000	\$'000	\$'000	\$'000	\$'000
Inter-Parliamentary Relations Special Account - FMA Act 1997 (D)	1	2,327	141	141	-	2,327
		2,372	141	186	-	2,327
Services for Other Government and Non- Department Bodies - FMA Act 1997 (D)	1	115	1	-	-	116
		114	1	-	-	115
Other Trust Moneys Account - House of Representatives - FMA Act 1997 (D)	1	24	5	5	-	24
		24	5	5	-	24
Total Special Accounts 2011-12 Budget estimate		2,466	147	146	-	2,467
<i>Total Special Accounts 2010-11 estimate actual</i>		<i>2,510</i>	<i>147</i>	<i>191</i>	<i>-</i>	<i>2,466</i>

(D) = Departmental

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Comprehensive Income Statement (Net Cost of Services)

In past years expense trends have reflected the stage of the parliamentary cycle, with employees and suppliers expenses reaching a peak in the middle year, as activity levels increase. In this Parliament, 2011-12 is the peak year in the cycle. There will be considerable pressure on the Department's budget as a result of the expected increase in activity levels and the increase in the efficiency dividend over the next two years. However, the adjustment to the Department's revenue base as a result of the Budget measures is expected to enable the Department to maintain its levels of service to the Chamber, Committees and Members.

The Department's own source income is increasing across the budget and forward years. This is attributed to service fees charged for the provision of payroll services to the Department of Parliamentary Services. These fees are fully off-set by increased costs to the Department in the form of employee expenses for the additional staff required to undertake this function.

Additional funding as expense measures for the new Joint Committee on the National Broadband Network and the costs associated with the additional sitting hours for the House and Main Committee are reflected in the employee benefits expense.

The deficit attributable to the Australian Government is a direct result of a change in funding arrangements under Operation Sunlight. Depreciation and amortisation expenses are not funded as part of operating revenue. The Department receives funding for capital purchases separately.¹ The projected surplus for 2010-11 is \$0.510m and is largely due to the decreased activity across all offices of the Department during the election and commencement of the 43rd Parliament.

Departmental Balance Sheet and Cash Flow Statement

The balance sheet reflects a strengthening of asset values commencing in the budget year and flowing through the forward years. Cash reserves (budgeted as appropriation equity) will be used to fund the acquisition of replacement furniture and fittings that have exceeded their useful lives. A furniture replacement project is being undertaken in conjunction with the Department of the Senate which is engaging in a similar asset replacement program. Although this project had been estimated to be completed by 2012-13, the scale and scope of the project will be very dependent upon future Departmental operational funding requirements and the possible need to fund future operating losses from cash reserves. A review is also being undertaken of this major project before proceeding.

¹ See page 27 – Departmental Capital Budget

Department of the House of Representatives Budget Statements

Other non-financial assets will be replaced, redeveloped or maintained via the normal asset replacement cycle for IT assets and other furniture items where necessary.

Liabilities consist mainly of provisions for employee entitlements. These amounts are forecast to increase in line with salary increases.

3.2.2 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	16,432	17,427	17,523	17,285	17,132
Supplier expenses	7,997	8,366	8,537	8,394	8,702
Depreciation and amortisation	1,300	1,405*	1,314*	1,324*	1,346*
Total expenses	25,729	27,198	27,374	27,003	27,180
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	825	857	880	898	900
Total own-source revenue	825	857	880	898	900
Gains					
Sale of assets	27	88	88	88	44
Other	3,000	3,000	3,000	3,000	3,000
Total gains	3,027	3,088	3,088	3,088	3,044
Total own-source income	3,852	3,945	3,968	3,986	3,944
Net cost of (contribution by) services					
Revenue from Government	21,087	21,848	22,092	21,693	21,890
Surplus (Deficit)					
Surplus (Deficit) attributable to the Australian Government	(790)	(1,405)*	(1,314)*	(1,324)*	(1,346)*
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	(790)	(1,405)*	(1,314)*	(1,324)*	(1,346)*
Total comprehensive income attributable to the Australian Government	(790)	(1,405)*	(1,314)*	(1,324)*	(1,346)*

Note: Reconciliation of comprehensive income attributable to the agency

	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(790)	(1,405)	(1,314)	(1,324)	(1,346)
plus non-appropriated expenses depreciation and amortisation expenses	1,300	1,405	1,314	1,324	1,346
Total Comprehensive Income attributable to the Department	510	-	-	-	-

* Parliamentary Appropriation Bill DCB (No.1) 2011-12
Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	246	250	266	250	250
Trade and other receivables	12,548	8,996	4,548	4,040	4,040
Tax assets	70	70	70	70	70
Total financial assets	12,864	9,316	4,884	4,360	4,360
Non-financial assets					
Property, plant and equipment	4,915	7,895	14,032	13,680	13,685
Intangibles	928	1,480	3,078	3,916	3,901
Other	136	136	136	136	136
Total non-financial assets	5,979	9,511	17,246	17,732	17,722
Total assets	18,843	18,827	22,130	22,092	22,082
LIABILITIES					
Payables					
Suppliers	100	231	231	131	131
Other	279	284	279	176	176
Total payables	379	515	510	307	307
Provisions					
Employee provisions	5,008	5,562	6,363	7,138	7,918
Total provisions	5,008	5,562	6,363	7,138	7,918
Total liabilities	5,387	6,077	6,873	7,445	8,225
Net assets	13,456	12,750	15,257	14,647	13,857
EQUITY*					
Contributed equity	-14,833	-13,431	-12,117	-10,790	-9,437
Reserves	12,987	12,987	16,297	16,297	16,297
Retained surplus	15,302	13,194	11,077	9,140	6,997
Total Equity	13,456	12,750	15,257	14,647	13,857

* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	15,302	12,987	-	-14,833	13,456
Opening balance	15,302	12,987	-	-14,833	13,456
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus (deficit) for the period	-1,405	-	-	-	-1,405
Total comprehensive income	-1,405	-	-	-	-1,405
of which:					
Attributable to the Australian Government	-1,405	-	-	-	-1,405
Transactions with owners					
<i>Contributions by owners</i>					
Departmental Capital Budget (DCBs)	-	-	-	1,405	1,405
Sub-total transactions with owners	-	-	-	1,405	1,405
Other movements	-703	-	-	-3	-706
Estimated closing balance as at 30 June 2012	13,194	12,987	-	-13,431	12,750

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	825	857	880	898	900
Appropriations	21,087	21,848	22,092	21,696	21,890
Net GST received	314	274	324	329	304
Total cash received	22,226	22,979	23,296	22,923	23,094
Cash used					
Employees	16,432	17,427	17,523	17,285	17,132
Suppliers	5,826	5,636	5,845	5,742	6,006
Total cash used	22,258	23,063	23,368	23,027	23,138
Net cash from (used by) operating activities	-32	-84	-72	-104	-44
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	50	120	120	120	60
Capital Budget - Bill 1	1,300	1,405	1,314	1,325	1,346
Appropriation Equity	468	3,552	4,445	505	-
Total cash received	1,818	5,077	5,879	1,950	1,406
Cash used					
Purchase of property, plant and equipment and intangibles	1,768	4,957	5,759	1,830	1,346
Other	23	32	32	32	16
Total cash used	1,791	4,989	5,791	1,862	1,362
Net cash from (used by) investing activities	27	88	88	88	44
Net increase (decrease) in cash held					
	-5	4	16	-16	-
Cash and cash equivalents at the beginning of the reporting period	250	245	249	265	249
Cash and cash equivalents at the end of the reporting period	245	249	265	249	249

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,300	1,405	1,314	1,325	1,346
Total capital appropriations	1,300	1,405	1,314	1,325	1,346
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	1,300	1,405	1,314	1,325	1,346
Total Items	1,300	1,405	1,314	1,325	1,346
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ¹	1,300	1,405	1,314	1,325	1,346
Funded internally from departmental resources ²	468	3,552	4,445	505	-
TOTAL	1,768	4,957	5,759	1,830	1,346
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,768	4,957	5,759	1,830	1,346
Total cash used to acquire assets	1,768	4,957	5,759	1,830	1,346

¹ Does not include annual finance lease costs. Include purchase from current and previous years Departmental Capital Budgets.

² Includes the following sources of funding:

- annual and prior year appropriations
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2011-12)

	Other property, plant and equipment \$'000	Heritage and cultural assets \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	5,697	323	3,262	9,282
Accumulated depreciation/amortisation and impairment	1,105	-	2,334	3,439
Opening net book balance	4,592	323	928	5,843
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	1,405	-	-	1,405
By purchase - other	2,750	-	802	3,552
Total additions	4,155	-	802	4,957
Other movements				
Depreciation/amortisation expense	1,155	-	250	1,405
Disposals ²	20	-	-	20
As at 30 June 2012				
Gross book value	9,832	323	4,064	14,219
Accumulated depreciation/amortisation and impairment	2,260	-	2,584	4,844
Closing net book balance	7,572	323	1,480	9,375

¹ "Appropriation ordinary annual services" refers to funding provided through

Parliamentary Appropriation Bill DCB (No. 1) 2011-12 for depreciation / amortisation expenses, DCBs .

² Proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis

3.2.3 Notes to the financial statements

The preceding budgeted financial statements tables represent estimates by the Department of results that will be reported in year-end annual financial statements for the current year, budget year and forward estimates years. The basis of accounting for the year-end reports is that required under the *Finance Minister's Orders (Reporting requirements)* and Australian Accounting Standards.

This basis of accounting has been applied in general terms to the estimates contained in the above budgeted financial statements tables.

GLOSSARY

Term	Meaning
Activities	The actions/functions performed by the department to deliver government policies.
Actual available appropriation	The total appropriations available to the department for 2010-11 as at the 2011-12 Budget. It includes all appropriations made available to the department in the year (+/- section 32 transfers, formal reductions, Advance to the Finance Minister and movement of funds). It is to be the same as the comparator figure included in the Appropriation Bills, and as such provides a comparison with the appropriation proposed for the budget year.
Agency	Generic term for Australian General Government Sector entities, including those governed by the FMA Act or CAC Act and the High Court of Australia.
Appropriation	An amount of public money parliament authorises for spending (i.e. funds to be withdrawn from the CRF). Parliament makes laws for appropriating money under the Annual Appropriation Acts.
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the government. Section 81 of the Australian constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government
Commonwealth Program List	The official Australian government list as contained in the Central Budget Management System. Agencies must report performance of these programs in their PB Statements.
Departmental Item	The resources (assets, liabilities, revenues and expenses) that agency Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the agency. Examples of departmental items include agency running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.

Glossary continued

Estimated Actual Expenses	Details of the current year's estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are not included within the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed: eg ANAO audit expenses – the ANAO does not charge for audit services however the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament.
Financial Management and Accountability Act 1997 (FMA Act)	The FMA Act sets out the financial management, accountability and audit obligations of agencies (including departments) that are financially part of the Commonwealth (and form part of the General Government Sector)
Forward Estimates Period	The three years following the budget year. For example if 2011-12 is the budget year, 2012-13 is forward year 1, 2013-14 is forward year 2 and 2014-15 is forward year 3. This period does not include the current or budget year.
Government Finance Statistics (GFS)	A reporting framework that is a specialised statistical system designed to support economic analysis of the public sector. It allows for comprehensive assessments of the economic impact of government and is consistent with international statistical standards of the International Monetary Fund and the System of National Accounts.
Measure	A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO)

Glossary

Glossary continued

Official Public Account (OPA)	The OPA is the Australian Government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund.
Outcome	An outcome is the intended result, consequence or impact of Government actions on the Australian community.
Outcome Statement	<p>An outcome statement articulates the intended results, activities and target group of an Australian Government agency. An outcome statement serves three main purposes within the financial framework:</p> <ul style="list-style-type: none">• to explain and control the purposes for which annual appropriations are approved by the Parliament for use by agencies;• to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and• to measure and assess agency and program (non-financial) performance in contributing to Government policy objectives.
Portfolio Budget Statements (PB Statements)	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each agency within a portfolio.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program Support	The departmental running costs allocated to the program. This is funded as part of the department's annual appropriation.
System of National Accounts (SNA)	The 1993 System of National Accounts (1993 SNA) is a comprehensive, consistent and flexible set of macroeconomic accounts to meet the needs of government and private sector analysts, policy-makers, and decision-takers. It was prepared jointly by the International Monetary Fund, the European Union, the Organisation for Economic Cooperation and Development, the United Nations, and the World Bank.