

**PART C**

**AGENCY ADDITIONAL ESTIMATES  
STATEMENTS**

**AUSTRALIAN PUBLIC SERVICE  
COMMISSION**

## **AUSTRALIAN PUBLIC SERVICE COMMISSION**

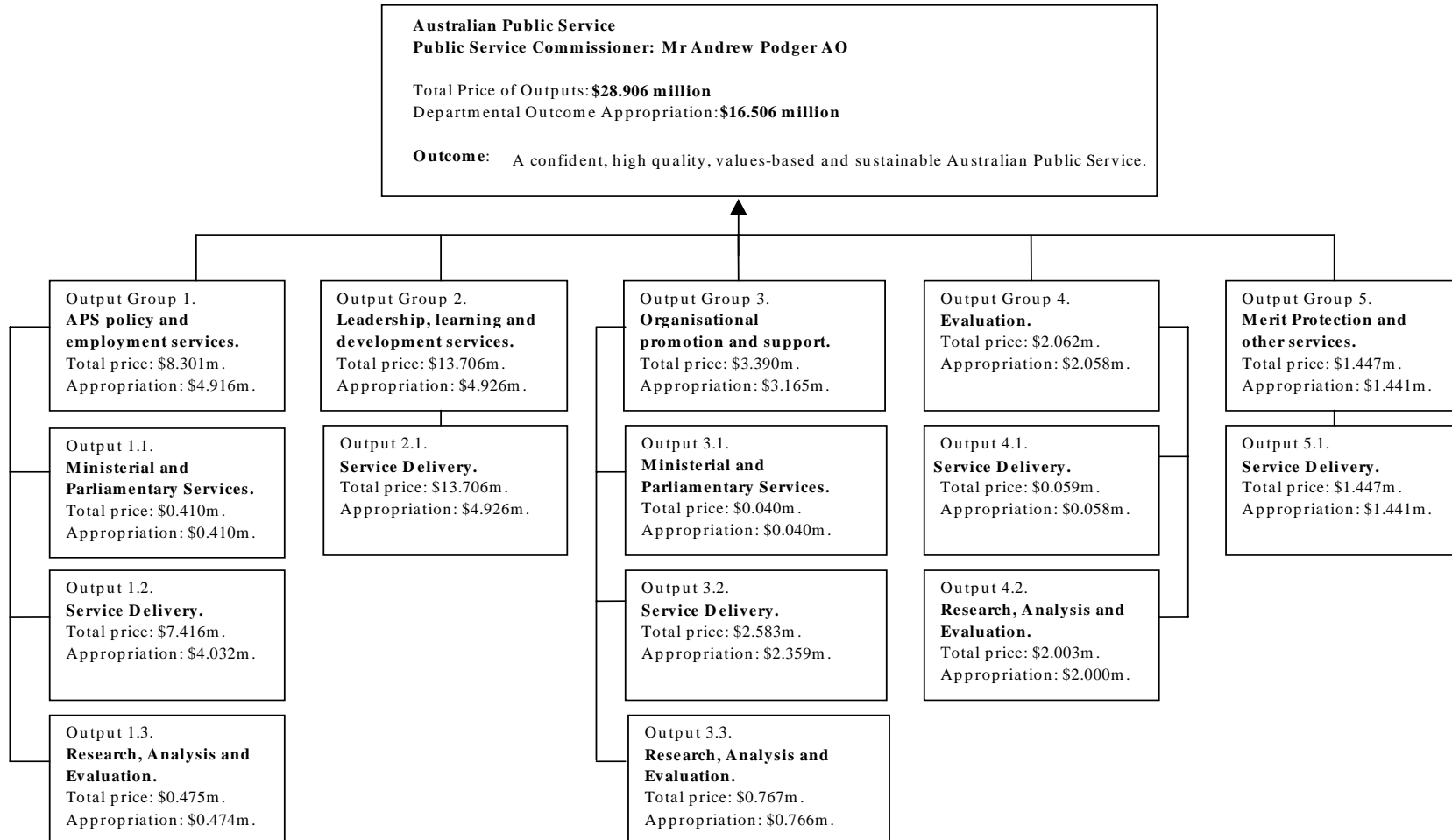
### Section 1: Overview, variations and measures

#### **OVERVIEW**

The Commission's role is unchanged from that presented in the 2003-04 Portfolio Budget Statements.

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## Map 2 - Outcome and Output Groups 1 to 5 - Contributing Outputs



## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOME

### Measures

The Commission is returning accumulated cash of \$3.025m during 2003-04 and seeks equivalent funding to fund the Australian Public Service Indigenous Employment Strategy and the Integrated Leadership Strategy. The amount of cash returned will offset the operating costs including depreciation associated with the proposals:

- Australian Public Service Indigenous Employment Strategy – promote Indigenous employment in the Australian Public Service through trials and initiatives to attract, develop and retain Indigenous employees; and
- Integrated Leadership Strategy - implement an integrated leadership strategy that promotes the capabilities and skills needed in the Australian Public Service.

These strategies support Government policy on enhancing Indigenous employment opportunities and building sustainable capability in the Australian Public Service.

The Commission is also being provided with funding for ongoing resourcing associated with the Commission’s implementation of the recommendations of the Budget Estimates and Framework Review.

#### Additional Estimates and Variations to Outcome Measures

	2003-04 (\$'000)	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)
<b>Outcome 1</b>				
Increase in departmental appropriations				
Measures:				
Australian Public Service Indigenous Employment Strategy	221	246	63	63
Intergrated Leadership Strategy	898	761	516	103
Budget estimates - enhanced quality and timeliness	79	79	79	79

**Other variations to appropriations**

The Commission is being provided with additional estimates funding for departmental appropriation associated with the Government’s decision to fully supplement Budget funded agencies for increases in the Comcover insurance premium for 2003-04.

Additional Estimates and Variations to Outcome  
Other Variations to Appropriations

	2003-04 (\$'000)	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)
<b>Outcome 1</b>				
Variations in departmental appropriations:				
Supplementation for Comcover insurance premium increase for 2003-04	55	-	-	-

**MEASURES — AGENCY SUMMARY**

**Australian Public Service Indigenous Employment Strategy**

The Government will provide \$0.593m over 4 years to improve the recruitment, retention and development of Indigenous employees in the Australian Public Service. The Commission will return part of its accumulated surplus in 2003-2004 to offset the cost of these activities.

The resources will support the development of a whole-of-government strategy linking and building on employment and education related Indigenous programmes initially at the Commonwealth level, and subsequently State and Territory government jurisdictions.

**Integrated Leadership Strategy**

The Government will provide \$2.432m over 6 years to the Australian Public Service Commission to foster the leadership capabilities of senior Australian Public Service employees. The Commission will return part of its accumulated surplus in 2003-2004 to offset the cost of these activities.

The resources will support the redevelopment of the Australian Public Service Commission’s learning and development activities and work with agencies to enhance their own development activities.

**Budget Estimates – Enhanced Quality And Timeliness**

The Government will provide additional funding to agencies of \$88.5 million over five years (including \$0.1 million in 2007-08) to implement the Budget Estimates and

Framework Review (BEFR) recommendations. This funding includes capital of \$7.4 million over four years.

In the 2003-04 Budget the Government made provision for \$78 million over five years to improve the accuracy, responsiveness and effectiveness of agencies' contribution to the Commonwealth's budget estimates and framework system and to assist agencies to drive improved financial management and reporting within their organisations. The Government has provided an extra \$10.5 million over five years to fund agencies to implement the BEFR recommendations.

See Table 1.1: Summary of measures since the 2003-04 Budget for details of the Commissions' funding for this measure.

Part C: Agency Additional Estimates Statements – APS Commission

**Table 1.1: Summary of measures since the 2003-04 Budget**

Measure	Outcome	Output groups affected	Appropriations 2003-04 (\$'000)			Appropriations 2004-05 (\$'000)			Appropriations 2005-06 (\$'000)			Appropriations 2006-07 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Budget measure:														
Australian Public Service Indigenous Employment Strategy	1	2.1	-	221	221	-	246	246	-	63	63	-	63	63
Integrated Leadership Strategy	1	3.2	-	898	898	-	761	761	-	516	516	-	103	103
Budget estimates - enhanced quality and timeliness	1	All	-	79	79	-	79	79	-	79	79	-	79	79
<b>Total</b>			-	1,198	1,198	-	1,086	1,086	-	658	658	-	245	245

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The total appropriation for the Commission in the 2003-04 Budget is \$16.506m. Table 1.2 shows the appropriations for the Australian Public Service Commission for 2003-04 by Outcome and by price of output appropriation. The total price of outputs is \$28.906m, of which \$16.506m (57%) is contributed from government appropriation; \$1.253m will be funded from Appropriation Bill (No. 3) 2003-04. The balance of \$12.400m from other sources is mainly accounted for by:

- sales of goods and services (eg fees from leadership, learning and development activities, employment-related fees for service activities and gazette subscriptions); and
- resources received free of charge from the Australian National Audit Office.

The Commission's departmental appropriation has increased by \$1.253m largely as a result of measures announced since the 2003-04 Budget. These measures relate to Government agreed initiatives for strategic priorities (\$1.119m). Government approved resourcing for implementing the recommendations of the Budget Estimates and Framework Review (\$0.079m) and supplementation funding of the Comcover insurance premium increase for 2003-04 (\$0.055m) have also increased appropriation.

**Table 1.2: Appropriation Bill (No. 3) 2003-04**

	2002-03 available \$'000	2003-04 budget \$'000	2003-04 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
A confident, high quality, values-based and sustainable Australian Public Service.	15,388	15,253	16,506	1,253	-
<b>Total Departmental</b>	<b>15,388</b>	<b>15,253</b>	<b>16,506</b>	<b>1,253</b>	<b>-</b>

**Note 1:** 2002-03 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings - Rephasings - Other Reductions*

## SUMMARY OF STAFFING CHANGES

**Table 1.3: Average Staffing Levels (ASL)**

	2003-04 Budget	2003-04 Revised	Variation
<b>Outcome 1</b>			
A confident, high quality, values-based and sustainable Australian Public Service.	175.0	181.5	6.5
<b>Total</b>	<b>175.0</b>	<b>181.5</b>	<b>6.5</b>

## Section 2: Revisions to outcomes and outputs

### **OUTCOMES AND OUTPUT GROUPS**

There has been no change to the structure of the Commission's outcome or outputs.

The Additional Estimates funding has been reflected as follows:

- Australian Public Service (APS) Indigenous Employment Strategy resources have been included in Output Group 3: Organisational performance, promotion and support - Output Component 3.2.3 Promote Indigenous Employment in the APS.
- Integrated Leadership Strategy resources have been included in Output Group 2: Leadership, learning and development services - Output Component 2.1.1 Promote effective leadership in the APS.
- Funding associated with implementing the recommendations of the Budget Estimates and Framework Review and Comcover insurance premium supplementation for 2003-04 has been reflected in accordance with the Commission's Output Pricing Cost Attribution, which results in changes across all Output Components.

### **Output cost attribution**

The Commission derives its Output pricing information via a two-step allocation process. Firstly, direct output pricing components are identified and allocated to outputs. Secondly the corporate overhead, most of which comprises staff on-costs but which also includes information technology and communications, payroll processing, security vetting, office services and equipment maintenance, is distributed to the Outputs on a per capita basis. Property operating expenses are allocated to Outputs on the basis of square metres occupied.

### **Outcome 1 - A confident, high quality, values-based and sustainable Australian Public Service.**

#### **Explanation of variations**

The Commission has the following Additional Estimates variations to Departmental Outputs:

- Australian Public Service Indigenous Employment Strategy.
- Integrated Leadership Strategy.
- Budget estimates - enhanced quality and timeliness.
- Supplementation associated with the Comcover insurance 2003-04 premium increase.

**Revised performance information and level of achievement – 2003-04**

The effectiveness indicators for Outcome 1 and the performance information relating to quality and quantity for Outcome 1 by Output Component for each Output Group are unchanged from the 2003-04 Portfolio Budget Statements. The Australian Public Service Indigenous Employment Strategy and Integrated Leadership Strategy measures have been incorporated into existing Output Components with the performance information remaining unchanged.

**Table 2.1: Performance information for outputs affected by additional estimates  
— Outcome 1**

		<b>Performance information 2003-04 budget Price: \$'000</b>	<b>Performance information 2003-04 revised Price: \$'000</b>
<b>Output Group 1</b>	<b>APS policy and employment services</b>		
Output 1.1	Ministerial and Parliamentary Services	408	410
Output 1.2	Service Delivery	7,382	7,416
Output 1.3	Research, Analysis and Evaluation	472	475
		<b>8,262</b>	<b>8,301</b>
<b>Output Group 2</b>	<b>Leadership, learning and development services</b>		
Output 2.1	Service Delivery	12,764	13,706
		<b>12,764</b>	<b>13,706</b>
<b>Output Group 3</b>	<b>Organisational performance, promotion and support</b>		
Output 3.1	Ministerial and Parliamentary Services	40	40
Output 3.2	Service Delivery	2,346	2,583
Output 3.3	Research, Analysis and Evaluation	761	767
		<b>3,147</b>	<b>3,390</b>
<b>Output Group 4</b>	<b>Evaluation</b>		
Output 4.1	Service Delivery	59	59
Output 4.2	Research, Analysis and Evaluation	1,990	2,003
		<b>2,049</b>	<b>2,062</b>
<b>Output Group 5</b>	<b>Merit Protection and other services</b>		
Output 5.1	Service Delivery	1,431	1,447
		<b>1,431</b>	<b>1,447</b>
<b>Total Outcome 1</b>		<b>27,653</b>	<b>28,906</b>

## Section 3: Budgeted financial statements

### ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

An analysis of the Commission’s budgeted departmental financial statements for 2003-04 is provided below.

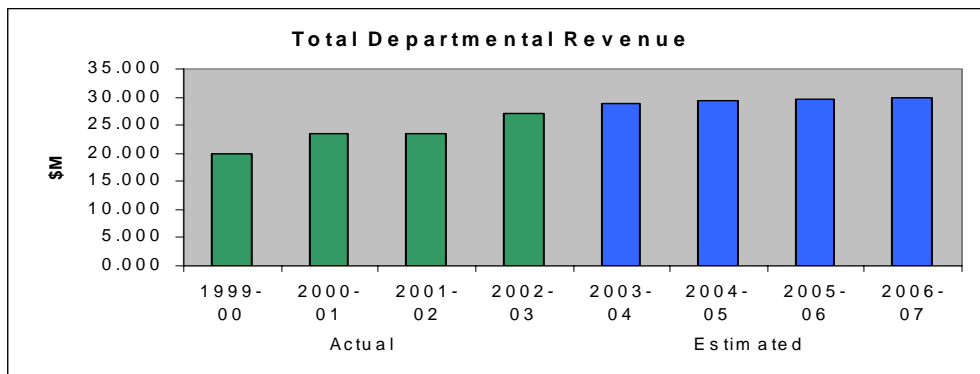
#### Departmental Financial Statements

#### Budgeted Departmental Statement of Financial Performance

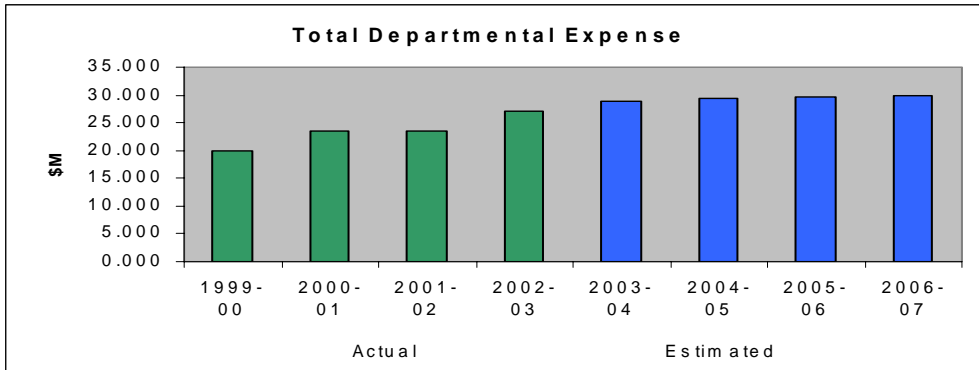
The Commission is budgeting for a balanced operating outcome for 2003-04 and the forward years.

Total revenue is estimated to be \$28.906m, an increase of \$1.253m from Budget. The increase is the result of the:

- Commission returning accumulated cash of \$3.025m during 2003-04 and is being provided with equivalent appropriation revenue to fund two Strategic Priorities – Australian Public Service Indigenous Employment Strategy and Integrated Leadership Strategy, of which \$1.119m is to be received in appropriation funding in the budget year.
- Government’s decision to provide supplementation to meet the additional resources required by the Commission to implement the recommendations from the Government’s Budget Estimates and Framework Review of \$0.079m from 2003-04.
- Government’s decision to fully supplement budget funded agencies for increases in Comcover insurance premium for 2003-04 resulting in an increase of \$0.055m.



Total expense is estimated to be \$28.906m, an increase of \$1.253m from Budget. The increase is due to the impact of the increases in revenue detailed above.



**Budgeted Departmental Statement of Financial Position**

The main movements in the Statement of Financial Position are:

- The budgeted net asset position of \$3.211m represents a \$3.025m decrease from the 2002-03 actual. This is due to the return of accumulated cash of \$3.025m to fund the Commission’s Strategic Priorities – Australian Public Service Indigenous Employment Strategy and the Integrated Leadership Strategy.
- Planned investment in Strategic Priorities related Intangible Assets (intellectual property) results in an increase to \$1.270m in 2004-05.
- The decrease in Leases is associated with the outsourced IT infrastructure finance lease, which reflects the consumption of the cost of these resources in 2003-04 with limited refreshment of equipment. The refresh program of IT infrastructure is expected to commence in 2004-05.
- The decrease in receivables represents the returned appropriation of \$3.025m to Government to fund the Strategic Priorities. The gradual increase in receivables from 2004-05 reflects the increased appropriation receivable from government for the building of reserves for future asset reinvestment.
- Accrued employee entitlements are expected to increase by \$0.381m to \$4.794m during 2003-04.

**Budgeted Departmental Statement of Cash Flows**

The large increase in other operating inflows represents the utilisation of retained appropriation to invest in the Strategic Priorities. This is reflected in other financing outflow of \$3.025m, which represents the return of funds to Government.

**Departmental Capital Budget Statement**

Purchase of non-current assets includes investment associated with the Strategic Priorities of \$0.575m in 2003-04 and \$0.150m in 2004-05. The balance of expenditure in 2004-05 includes expected reinvestment in intellectual property and the refresh of IT leased assets.

**Departmental Non-financial Assets — Summary of Movement**

Additions to intangible assets include investment of \$0.575m in Strategic Priorities in 2003-04.

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

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>Revenues from ordinary activities</b>					
Revenue from Government	15,388	16,506	16,513	16,076	15,998
Goods and Services	12,158	12,363	12,862	13,395	13,955
Interest	113	-	-	-	-
Dividends	-	-	-	-	-
Revenue from sales of assets	44	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	37	37	37	37	37
<b>Revenues from ordinary activities</b>	<b>27,740</b>	<b>28,906</b>	<b>29,412</b>	<b>29,508</b>	<b>29,990</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	13,242	15,014	15,201	15,231	15,467
Suppliers	12,559	12,531	12,680	12,711	12,923
Grants	-	-	-	-	-
Depreciation and amortisation	1,067	1,333	1,486	1,519	1,553
Write-down of assets	11	15	15	15	15
Value of assets sold	58	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>26,937</b>	<b>28,893</b>	<b>29,382</b>	<b>29,476</b>	<b>29,958</b>
Borrowing cost expense	30	13	30	32	32
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Operating surplus or deficit from ordinary activities</b>	<b>773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Net surplus or deficit</b>	<b>773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital Use Charge	699	-	-	-	-
<b>Net surplus or deficit attributable to Commonwealth</b>	<b>74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Part C: Agency Additional Estimates Statements – APS Commission

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

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000	Forw ard estimate 2006-07 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	851	450	450	450	450
Receivables	10,404	7,451	7,861	9,171	10,088
Accrued revenues	489	494	498	503	508
Other	20	20	20	20	20
<b>Total financial assets</b>	<b>11,764</b>	<b>8,415</b>	<b>8,829</b>	<b>10,144</b>	<b>11,066</b>
<b>Non-financial assets</b>					
Land and buildings	294	225	144	51	47
Infrastructure, plant and equipment	1,189	760	1,014	699	248
Inventories	101	125	125	125	125
Intangibles	759	1,030	1,270	802	515
Other	416	300	307	314	321
<b>Total non-financial assets</b>	<b>2,759</b>	<b>2,440</b>	<b>2,860</b>	<b>1,991</b>	<b>1,256</b>
<b>Total assets</b>	<b>14,523</b>	<b>10,855</b>	<b>11,689</b>	<b>12,135</b>	<b>12,322</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Leases	379	50	431	415	128
Other	65	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>444</b>	<b>50</b>	<b>431</b>	<b>415</b>	<b>128</b>
<b>Provisions</b>					
Employees	4,413	4,794	5,182	5,579	5,985
Capital Use Charge	-	-	-	-	-
<b>Total provisions</b>	<b>4,413</b>	<b>4,794</b>	<b>5,182</b>	<b>5,579</b>	<b>5,985</b>
<b>Payables</b>					
Suppliers	2,314	1,819	1,861	1,903	1,947
Other	1,116	981	1,004	1,027	1,051
<b>Total payables</b>	<b>3,430</b>	<b>2,800</b>	<b>2,865</b>	<b>2,930</b>	<b>2,998</b>
<b>Total liabilities</b>	<b>8,287</b>	<b>7,644</b>	<b>8,478</b>	<b>8,924</b>	<b>9,111</b>
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	1,157	(1,868)	(1,868)	(1,868)	(1,868)
Reserves	1,090	1,090	1,090	1,090	1,090
Retained surpluses or accumulated deficits	3,989	3,989	3,989	3,989	3,989
<b>Total parent equity interest</b>	<b>6,236</b>	<b>3,211</b>	<b>3,211</b>	<b>3,211</b>	<b>3,211</b>
<b>Total equity</b>	<b>6,236</b>	<b>3,211</b>	<b>3,211</b>	<b>3,211</b>	<b>3,211</b>
<b>Current liabilities</b>	<b>4,667</b>	<b>4,099</b>	<b>4,184</b>	<b>4,269</b>	<b>4,358</b>
<b>Non-current liabilities</b>	<b>3,620</b>	<b>3,545</b>	<b>4,294</b>	<b>4,655</b>	<b>4,753</b>
<b>Current assets</b>	<b>12,281</b>	<b>8,715</b>	<b>9,136</b>	<b>10,458</b>	<b>11,586</b>
<b>Non-current assets</b>	<b>2,242</b>	<b>2,140</b>	<b>2,553</b>	<b>1,677</b>	<b>736</b>

Part C: Agency Additional Estimates Statements – APS Commission

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

	Actual 2002-03 \$'000	Revised budget 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	15,388	16,561	16,513	16,076	15,998
Goods and services	12,647	12,337	12,821	13,351	13,909
Interest	121	-	-	-	-
Dividends	-	-	-	-	-
Other	149	4,834	1,431	1,334	1,390
Extraordinary Items	-	-	-	-	-
<b>Total cash received</b>	<b>28,305</b>	<b>33,732</b>	<b>30,765</b>	<b>30,761</b>	<b>31,297</b>
<b>Cash used</b>					
Employees	12,523	14,634	14,813	14,834	15,060
Suppliers	13,467	12,144	12,248	12,103	12,407
Grants	-	-	-	-	-
Borrowing costs	30	14	33	35	35
Other	8,924	3,210	2,471	3,277	2,983
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>34,944</b>	<b>30,002</b>	<b>29,565</b>	<b>30,249</b>	<b>30,485</b>
<b>Net cash from/(used by) operating activities</b>	<b>(6,639)</b>	<b>3,730</b>	<b>1,200</b>	<b>512</b>	<b>812</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	20	-	-	-	-
Proceeds from sales of financial instruments	37,500	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>37,520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Proceeds from sales of property, plant and equipment	405	185	174	175	275
Proceeds from sales of financial instruments	29,000	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	90	921	1,026	337	537
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>29,495</b>	<b>1,106</b>	<b>1,200</b>	<b>512</b>	<b>812</b>
<b>Net cash from/(used by) investing activities</b>	<b>8,025</b>	<b>(1,106)</b>	<b>(1,200)</b>	<b>(512)</b>	<b>(812)</b>

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

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Capital use charge paid	742	-	-	-	-
Dividends paid	-	-	-	-	-
Other	684	3,025	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>1,426</b>	<b>3,025</b>	-	-	-
<b>Net cash from/(used by) financing activities</b>	<b>(1,426)</b>	<b>(3,025)</b>	-	-	-
<b>Net increase in cash held</b>	<b>(40)</b>	<b>(401)</b>	-	-	-
Cash at the beginning of the reporting period	891	851	450	450	450
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>851</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>450</b>

Part C: Agency Additional Estimates Statements – APS Commission

**Table 3.4: Departmental Capital Budget Statement**

	Actual 2002-03 \$'000	Revised budget 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000	Forw ard estimate 2006-07 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Represented by</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	495	1,106	1,899	644	812
<b>Total</b>	495	1,106	1,899	644	812

Part C: Agency Additional Estimates Statements – APS Commission

**Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2003-04)**

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	294	-	1,189	-	586	173	2,242
Additions	-	50	-	135	-	100	821	1,106
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(119)	-	(564)	-	(473)	(177)	(1,333)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	225	-	760	-	213	817	2,015
<b>Total additions</b>								
Self funded	-	50	-	135	-	100	821	1,106
Appropriations	-	-	-	-	-	-	-	-
<b>Total</b>	-	50	-	135	-	100	821	1,106

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Basis of accounting**

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

### **Departmental Financial Statements and Schedules of Administered Items**

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

### **Appropriations in the accrual budgeting framework**

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies;
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the States; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

## Part C: Agency Additional Estimates Statements – APS Commission

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

### **Capital Use Charge**

The Government discontinued the Capital Use Charge from 1 July 2003.

### **Asset valuation**

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value.