

DEPARTMENT OF THE PRIME MINISTER AND CABINET

SECTION 1: OVERVIEW, VARIATIONS AND MEASURES	17
Overview	17
Additional estimates and variations to outcomes	19
Measures — Department summary	22
Breakdown of additional estimates by appropriation bill.....	23
Section 32 transfers	24
Summary of staffing changes	24
Variations to revenue from other sources through net annotated (section 31) receipts.....	24
Revenue from independent sources.....	25
Estimates of expenses from special appropriations	25
Estimated special account flows	26
Summary of agency savings.....	26
SECTION 2: REVISIONS TO OUTCOMES AND OUTPUTS	27
Outcomes and output groups.....	27
SECTION 3: BUDGETED FINANCIAL STATEMENTS	29
Analysis of budgeted financial statements.....	29
Departmental financial statements	45
Schedule of administered activity	45
Notes to the financial statements.....	47
APPENDIX 1: OSW ADMINISTERED PROGRAMME FUNDING	49

DEPARTMENT OF THE PRIME MINISTER AND CABINET

Section 1: Overview, variations and measures

OVERVIEW

The department's outcome/output and performance evaluation framework is largely unchanged from Budget with the exception of the loss of responsibility for women's policy (Output 2.2 – Women's Policy) following the transfer of the Office of the Status of Women (OSW) to the Department of Family and Community Services (FaCS). Competitive tendering and contracting and purchaser-provider arrangements remain unchanged.

The total departmental price of outputs and the allocation of appropriation and administered expenses to output groups are shown in Map 1 overleaf.

Map 1: Outcome and output groups for the Department of the Prime Minister and Cabinet
(table includes reductions for transfer of OSW funding)

<p>Department of the Prime Minister and Cabinet Secretary: Dr Peter Shergold, AM</p> <p>Sound and well coordinated government policies, programmes and decision making processes</p> <p>Total price of outputs \$60.2 million* Departmental outcomes appropriation \$58.4 million Total admin expenses \$12.3 million**</p>			
<p>Output Group 1 Economic policy advice and coordination</p> <p>Total price \$11.3 million Approp \$11.0 million</p> <p>Output 11 – Economic and Industry Policy</p>	<p>Output Group 2 Social policy advice and coordination</p> <p>Total price \$10.2 million Approp \$9.9 million Admin expenses \$3.9 million</p> <p>Output 2.1 – Social Policy Output 2.2 – Women's Policy*</p> <p>* Ceased from 26 October 2004 due to transfer to FaCS</p>	<p>Output Group 3 International policy advice and coordination</p> <p>Total price \$14.8 million Approp \$14.4 million Admin expenses \$0.1 million</p> <p>Output 3.1 – International Policy Output 3.2 – National Security Policy</p>	<p>Output Group 4 Support services for government operations</p> <p>Total price \$23.7 million Approp \$23.0 million Admin expenses \$8.3 million</p> <p>Output 4.1 – Cabinet Secretariat Output 4.2 – Cabinet Implementation Output 4.3 – Machinery of Government Output 4.4 – Government Communications Output 4.5 – Support to Official Establishments Output 4.6 – Support for Ministerial Offices Output 4.7 – Ceremonial and Hospitality</p>

* Does not include resources provided free of charge of \$1.103 million included in Budgeted departmental statement of financial performance in Section 3.

** Does not include expenses of \$3.6 million from the Media Commissions special account included in Schedule of budgeted departmental revenues and expenses administered on behalf of government in Section 3.

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

The appropriation bills provide for an increase of \$5.651 million in departmental funding, \$0.990 million in administered funding and \$3.065 million in departmental capital.

The overall impact on departmental and administered appropriations since the 2004–05 Budget is the combination of the amounts being appropriated in the appropriation bills less the OSW funding transferred to FaCS by section 32 transfer. That is an increase of \$3.8 million from \$54.6 million to \$58.4 million for departmental appropriations and a decrease in administered funding of \$7.7 million from \$19.9 million to \$12.3 million. See full details of funding transferred to FaCS by s. 32 transfer below under, 'Section 32 transfers'.

The individual measures and variations incorporated in the appropriation bills are discussed below and are also listed in the Measures and Other Variations tables that immediately follow.

Measures

Departmental funding is being provided as follows:

- \$3.051 million for operational expenses for the APEC 2007 Taskforce.
- \$0.3 million in 2004–05 and \$0.6 million ongoing from 2005–06 to meet expanded security requirements following the government's adoption of the recommendations of the Report of the Inquiry into Australian Intelligence Agencies (Flood Inquiry).
- \$0.965 million in 2004–05, \$0.716 million in 2005–06, \$0.394 million in 2006–07 and \$0.403 million in 2007–08 to meet the additional expenses from supporting the new Health Task Force, and the added responsibility for providing policy advice on water reform and the transition from welfare to work.

Administered funding is being provided as follows:

- \$0.138 million in 2004–05 to the National Australia Day Council, comprising a one-off \$0.03 million grant to support the performance of the Australia Day Tribute by the Edinburgh Military Tattoo and \$0.108 million ongoing for integrated community education programmes to promote a better understanding of the meaning of Australia Day.

Departmental capital is being provided as follows:

- \$0.165 million in 2004–05 for the fit out and office equipment requirements of the APEC 2007 Taskforce.

Variations — Measures

	2004-05	2005-06	2006-07	2007-08
	\$'000	\$'000	\$'000	\$'000
Outcome 1				
Expenses				
Variations in departmental appropriations				
APEC 2007 — additional funding for the establishment of a taskforce	3,051			
Flood Inquiry	300	611	624	637
Increased activities and new taskforces	965	716	394	403
Total variations in departmental appropriations	4,316	1,327	1,018	1,040
Variations in administered appropriations				
National Australia Day Council — additional funding	138	110	112	115
Total variations in administered appropriations	138	110	112	115
Variations in departmental capital				
APEC 2007 — additional funding for the establishment of a taskforce	165			
Total variation in departmental capital	165			

Other variations

Departmental funding is being provided as follows:

- \$0.106 million in 2004-05, \$0.301 million in 2005-06, \$0.395 million in 2006-07 and \$0.445 million in 2007-08 due to cost index parameter changes.
- \$1.04 million in 2004-05 and 2005-06 and \$0.7 million in 2006-07 to meet the increased depreciation expenses arising from the accelerated depreciation of the fit out and plant and equipment in the existing building in the lead up to the relocation to new accommodation.
- \$0.223 million in 2004-05 to reimburse the department for the additional expenses supporting the new National Water Commission (NWC) until it obtains its own funding.
- A reduction of \$0.034 million in 2004-05 by way of Comcover supplementation clawback. In the 2004-05 Budget, the department was provided with \$0.052 million supplementation for its estimated 2004-05 Comcover premium based on its 2003-04 premium. The actual 2004-05 premium has since been calculated and is lower than the estimated premium due to improved claims experience and more favourable reinsurance market conditions.

Administered funding is being provided as follows:

- \$0.852 million in administered funding is being reappropriated to provide additional cash to cover prior year administered expenses.

Departmental capital is being provided as follows:

- \$2.9 million in 2004–05 and \$4.8 million in 2005–06 to enable preparatory work to be undertaken prior to relocation to new accommodation. This funding is being brought forward from the funding approved in the 2004–05 Budget for 2006–07.

Additional estimates and variations to outcomes

	2004–05	2005–06	2006–07	2007–08
	\$'000	\$'000	\$'000	\$'000
Outcome 1				
Expenses				
Variations in departmental appropriations				
Parameter adjustment	106	301	395	445
Reduction in Comcover supplementation	-34			
Increased depreciation funding	1,040	1,040	700	
Reimbursement of NWC expenses	223			
Total variation in departmental appropriations	1,335	1,341	1,095	445
Variations in administered appropriations				
Re-appropriation of administered funding	852			
Total variation in administered appropriations	852			
Variations in departmental capital				
New departmental accommodation — bringing forward funding	2,900	4,800		
Total variation in departmental capital	2,900	4,800		

MEASURES — DEPARTMENT SUMMARY

Table 1.1: Summary of measures since the 2004–05 Budget

Measure	Outcome	Output groups affected	Appropriations 2004–05 (\$'000)			Appropriations 2005–06 (\$'000)			Appropriations 2006–07 (\$'000)			Appropriations 2007–08 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Expense measures														
APEC 2007 — additional funding for the establishment of a taskforce	1	3	-	3,051	3,051	-	-	-	-	-	-	-	-	-
Flood Inquiry	1	3	-	300	300	611	611	-	624	624	-	637	637	637
Increased activities and new taskforces	1	1 & 2	-	965	965	-	716	716	-	394	394	-	403	403
NADC — additional funding	1	4	138	-	138	110	110	-	112	112	115	115	-	115
Total			138	4,316	4,454	110	1,327	1,437	112	1,018	1,130	115	1,040	1,155
Capital measures														
APEC 2007 — additional funding for the establishment of a taskforce	1	3	-	165	165	-	-	-	-	-	-	-	-	-
Total			-	165	165	-	-	-	-	-	-	-	-	-

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2: Appropriation Bill (No. 3) 2004–05

	2003–04 available \$'000	2004–05 budget \$'000	2004–05 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
ADMINISTERED ITEMS					
Outcome 1					
Sound and well coordinated government policies, programmes and decision making processes.	32,311	18,989	19,979	990	-
Total	32,311	18,989	19,979	990	-
DEPARTMENTAL OUTPUTS					
Outcome 1					
Sound and well coordinated government policies, programmes and decision making processes.	54,994	54,614	60,265	5,651	-
Total	54,994	54,614	60,265	5,651	-
Total administered and departmental	87,305	73,603	80,244	6,641	-

Table 1.3: Appropriation Bill (No. 4) 2004–05

	2003–04 available \$'000	2004–05 budget \$'000	2004–05 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
SPECIFIC PAYMENTS TO THE STATES AND TERRITORIES					
Outcome 1					
Sound and well coordinated government policies, programmes and decision making processes.	-	-	-	-	-
OTHER ADMINISTERED ITEMS					
Outcome 1					
Sound and well coordinated government policies, programmes and decision making processes.	-	-	-	-	-
Total	-	-	-	-	-
Non-operating					
Equity injections			3,065	3,065	
Loans					
Previous years' outputs					
Administered assets and liabilities					
Total capital			3,065	3,065	
Department of the Prime Minister and Cabinet					
Total			3,065	3,065	

SECTION 32 TRANSFERS

Outside the appropriation bills the department is also experiencing reductions in departmental and administered funding following the transfer of funding associated with the OSW to FaCS (pursuant to Administrative Arrangements Order dated 26 October 2004) through a section 32 transfer. These reductions are \$1.9 million in 2004–05 and \$3.1 million ongoing from 2005–06 in departmental funding and \$7.7 million in 2004–05, \$4.1 million in 2005–06, \$2.2 million in 2006–07 and \$1.1 million in 2007–08 in administered funding.

SUMMARY OF STAFFING CHANGES

Table 1.4: Average staffing level (ASL)

	2004–05 Budget	2004–05 Revised	Variation
Outcome 1			
Sound and well coordinated government policies, programmes and decision making processes	392	375	17
Total	392	375	17

Reduction in ASL due to transfer of OSW staff to FaCs partly offset by increased staff for APEC and other areas of increased activity.

VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS

Table 1.5: Changes to net annotated appropriations (section 31) receipts

	Total approp 2004–05 budget	Total approp 2004–05 revised	Receipts from independent sources budget	Receipts from independent sources revised	Variation in non-govt revenue
	\$'000	\$'000	\$'000	\$'000	\$'000
Outcome 1					
Sound and well coordinated government policies, programmes and decision making processes	54,614	60,265	1,991	1,829	162
Total	54,614	60,265	1,991	1,829	162

Notes

- 1 The 'Total appropriation 2004–05 revised' is before the reduction of \$1.882 million from the transfer of funds to FaCS for women's policy which is being effected through the s. 32 transfer process.
- 2 The lower estimate for receipts is due to a downward revision of the earlier estimates for receipts for AUSPIC, sale of assets and from other agencies.

REVENUE FROM INDEPENDENT SOURCES

Table 1.6: Revenue from independent sources

	Estimated revenue 2004–05 \$'000	Revised estimate 2004–05 \$'000
Sales of good and services	621	541
Sale of assets	60	10
Other	1,310	1,278
Total estimated revenue	1,991	1,829

Notes:

1. Sales of goods and services are mainly from AUSPIC photographic services.
2. Other revenue is mainly made up of contributions to taskforces, and the Campaign Advertising and the Services for Other Governments and Non-Agency Bodies Account special accounts.

ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

There have been no changes in special appropriations since the 2004–05 Budget.

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.7: Estimated Special Account flows

Revised estimate, 2004–05, **bold figures**; Final actual, 2003–04, *light figures*

	Opening balance	Receipts	Payments	Adjustments	Closing balance
	2004–05	2004–05	2004–05	2004–05	2004–05
	<i>2003–04</i>	<i>2003–04</i>	<i>2003–04</i>	<i>2003–04</i>	<i>2003–04</i>
	\$'000	\$'000	\$'000	\$'000	\$'000
Media Commissions	13,328	3,600	10,195	-	6,733
– s20 FMA Act (A)	12,994	3,208	2,874	-	13,328
Campaign Advertising	6,501	1,200	5,950	-	1,751
– s 20 FMA Act (D)	6,466	991	956	-	6,501
Services for other	1,179	100	100	-	1,179
Government and Non-Agency Bodies Account – s 20 FMA Act (D)	1,201	50	72	-	1,179
Other Trust Monies Account	-	-	-	-	-
– s 20 FMA Act (D)	-	62	62	-	-
Total Special Accounts	21,008	4,900	16,245	-	9,663
	<i>20,661</i>	<i>4,311</i>	<i>3,964</i>	-	<i>21,008</i>

1. The opening balance for 2004–05 is the same as the closing balance for 2003–04.
2. Receipts from appropriations and other sources are further specified in Table 2.1 Total resources for outcome.
3. There are no adjustments.
4. The department has no investment powers under s. 39 of the FMA Act.
5. The purposes clauses of the Media Commissions and Campaign Advertising special accounts were amended in December 2004 to enable excess funds to be returned to the Consolidated Revenue Fund. Following this, \$7.6 million from the Media Commissions and \$5 million from the Campaign Advertising special accounts were permanently returned to the CRF.

SUMMARY OF AGENCY SAVINGS

The department has no savings from annual appropriations as the reduction of \$0.034 million in departmental appropriations from the Comcover clawback is more than offset by the additional funding being provided through the Additional Estimates process.

Section 2: Revisions to outcomes and outputs

OUTCOMES AND OUTPUT GROUPS

There has been no change in the department's outcome/outputs framework since the publication of the 2004–05 Portfolio Budget Statements (PBS), with the exception of the removal of Output 2.2 from Output Group 2 following the transfer of responsibility for women's policy to FaCS.

Output cost attribution

Corporate services, information technology and communications are predominantly driven by staff numbers and are allocated on this basis. These constitute approximately 65% of overheads. Property operating expenses, which make up most of the remaining 35%, are allocated to output areas on the basis of square metres occupied.

Outcome 1

Explanation of variations

The additional estimates appropriation changes will be implemented as follows:

- Output Group 1 – increased operational resources for the new water policy unit (to be reviewed in 2007–08).
- Output Group 2 – increased operational resourcing for support of the Health Task Force and for the Welfare to Work Section during their defined terms (note that as a result of the transfer of OSW funding to FaCS this output group will incur a substantial reduction in operational resourcing).
- Output Group 3 – increased operational resources for the expanded national security role following the government's endorsement of the recommendations of the Flood Inquiry and for the APEC 2007 Taskforce.
- Output Group 4 – additional administered funding for the National Australia Day Council

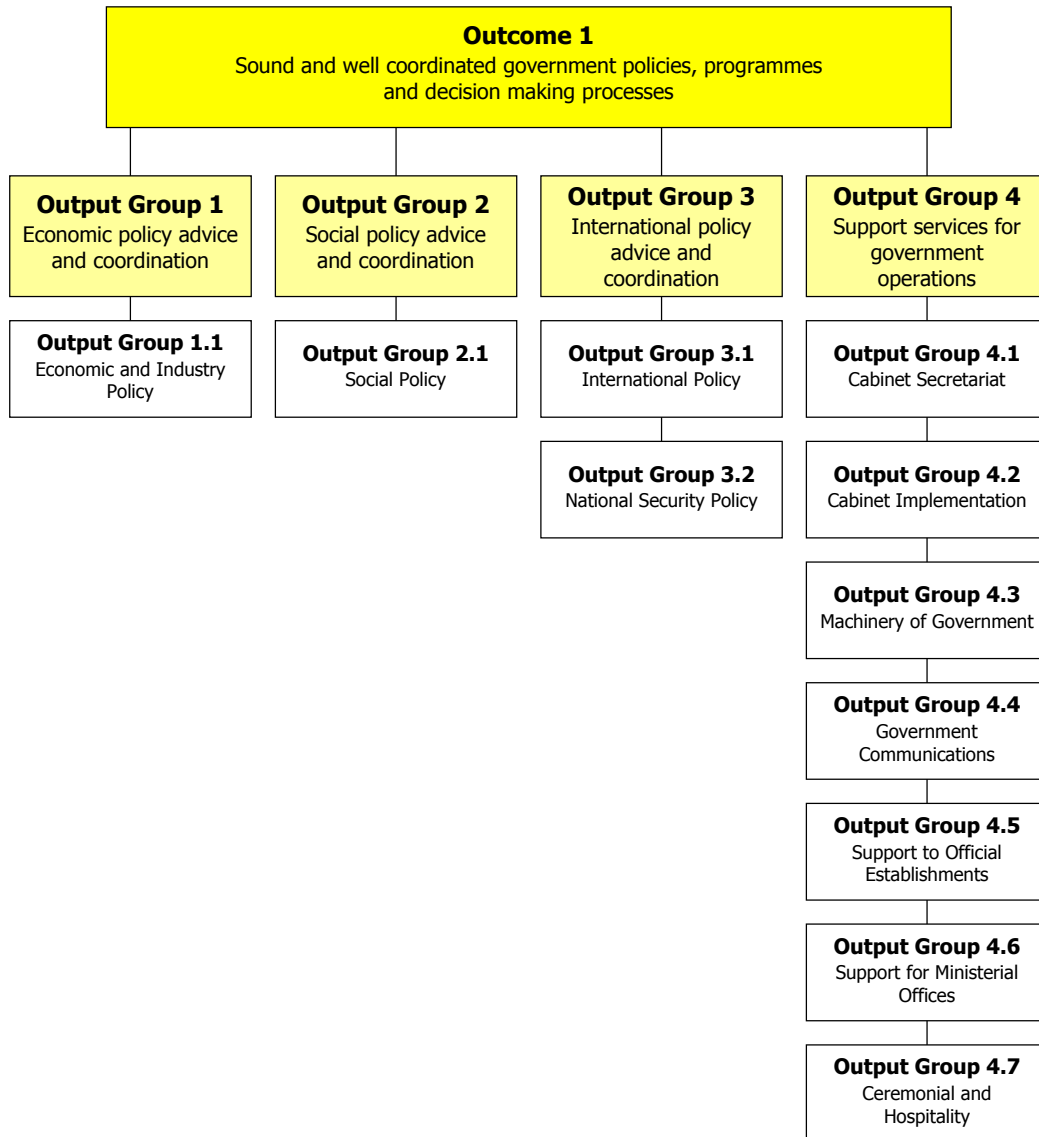
Revised performance information and level of achievement – 2004–05

The variation to funding across all outcomes is to pre-existing outputs and therefore will not affect the performance information set out in the 2004–05 PBS.

Changes to outcome and output structure arising from additional estimates

Since the publication of the 2004–05 Portfolio Budget Statements, Output 2.2 – Women's Policy no longer exists due to the transfer of responsibility for women's policy to FaCS in November 2004. However, departmental advice to the Prime Minister on Women's policy issues will continue to be provided through Output 2.1 – Social Policy. This change is reflected in the revised outcome/output structure shown in Map 2.

Map 2: New outcome and output structure for Outcome 1 for the Department of the Prime Minister and Cabinet



Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

An analysis of the changes since the Budget in each of the department's budgeted financial statements and administered schedules is provided below.

Departmental

Budgeted departmental statement of financial performance

The department is budgeting for revenue of \$61.2 million. This is an increase of \$3.6 million from the 2004–05 Budget estimate of \$57.6 million. This follows an increase in appropriations of \$5.7 million for new activities that is partly offset by a reduction of \$1.9 million, following the transfer of OSW to FaCS, and a further reduction of \$0.2 million due to a downward revision in revenue from independent sources (see Table 1.6).

Total expenses for 2004–05 are expected to be \$61.1 million, an increase of \$4 million from the 2004–05 Budget estimate due to new activities and other cost pressures the department is facing. \$3.6 million will be funded from the overall increase in revenue mentioned above, the balance of \$0.4 million being funded from the previously budgeted surplus of \$0.5 million. The resulting outcome will see the department achieving a near balanced budget.

Budgeted departmental statement of financial position

The department's financial position is expected to improve from its Budget position by approximately \$3.5 million in 2004–05 and a further \$5 million in 2005–06, largely due to preliminary building works associated with its new accommodation.

Budgeted departmental statement of cash flows

The Statement of Cash Flows shows the increased cash receipts of approximately \$3.7 million from increased appropriations and the department generating a cash surplus of \$3.2 million after meeting all its operating expenses. This surplus is being used to fund the department's ongoing capital requirements (largely IT and office equipment). The statement also shows additional cash of approximately \$3 million being provided by way of an equity injection. This cash is being used to fund preliminary works associated with the department's new accommodation.

Departmental capital budget statement

This statement shows the impact of the capital expenditure of \$3.1 million in 2004–05 from the APEC fit-out and office equipment and the department's new accommodation works. It also shows the \$4.8 million in 2005–06 from the department's new accommodation works.

Departmental non-financial assets — summary of movement

This statement further illustrates the impact of the new capital works the department is undertaking in association with its new accommodation.

Administered

Schedule of budgeted revenues and expenses administered on behalf of government

Administered expenses are expected to decline by \$7.5 million from the 2004–05 Budget estimate largely due to a decrease of \$7.7 million in women’s programmes expenses following the transfer of OSW to FaCS. This is partly offset by an increase of \$0.1 million in grants to the National Australia Day Council which is being provided through the Additional Estimates process.

Schedule of budgeted assets and liabilities administered on behalf of government

Assets and liabilities are expected to remain relatively unchanged from the 2004–05 Budget estimates.

Schedule of budgeted administered cash flows

This statement shows the impact of the transfer of the \$7.7 million in ongoing funding for the Women’s Programmes to FaCS. It shows reductions in cash receipts and cash payments of around the amount transferred.

Schedule of administered capital budget

This schedule is unchanged from that published in the 2004–05 Portfolio Budget Statements.

Schedule of administered non-financial assets — summary of movement

This schedule is unchanged from that published in the 2004–05 Portfolio Budget Statements.

**Table 3.1: Budgeted departmental statement of financial performance
(for the period ended 30 June)**

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government	54,994	58,383	53,818	52,385	51,772
Goods and services	2,023	541	623	623	623
Interest					
Dividends					
Revenue from sales of assets	12	10	60	60	60
Reversals of previous asset write-downs					
Rents					
Royalties					
Net foreign exchange gains					
Correction of fundamental error					
Other	2,965	2,291	2,325	2,325	2,315
Revenues from ordinary activities	59,994	61,225	56,826	55,393	54,770
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	35,983	37,122	33,460	33,291	33,730
Suppliers	20,158	19,824	19,026	18,151	17,789
Grants	88	88	88	88	88
Subsidies					
Depreciation and amortisation	3,456	4,143	4,143	3,803	3,103
Write-down of assets					
Value of assets sold	29	10	60	60	60
Net foreign exchange losses					
Correction of fundamental error					
Other goods and services expenses	9				
Expenses from ordinary activities (excluding borrowing costs expense)	59,723	61,187	56,777	55,393	54,770
Borrowing costs expense	34				
Share of net profits or (losses) of associates and joint ventures accounted for using the equity method					
Correction of fundamental error					
Operating surplus or (deficit) from ordinary activities	237	38	49	-	-
Gain or (loss) on extraordinary items					
Correction of fundamental error					
Net surplus or (deficit)	237	38	49	-	-

**Table 3.1: Budgeted departmental statement of financial performance
(for the period ended 30 June), continued**

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
Outside equity interests in net surplus or (deficit)					
Net surplus or deficit attributable to the Australian Government	237	38	49	-	-
Net credit or (debit) to asset revaluation reserve					
Net exchange difference recognised as a direct debit or (credit) to equity					
Adjustments arising from Standards recognised as direct debit or (credit) to equity					
Initial adjustments from transitional UIG consensus view recognised as direct debit or (credit) to equity					
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity	237	38	49	-	-
Total changes in equity other than those resulting from transactions with owners as owners	237	38	49	-	-

Table 3.2: Budgeted departmental statement of financial position *as at 30 June*

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
ASSETS					
Financial assets					
Cash	174	307	273	273	273
Receivables	13,546	9,030	10,454	11,358	11,528
Investments accounted for under the equity method					
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)					
Other investments					
Accrued revenues					
Other financial assets					
Total financial assets	13,720	9,337	10,727	11,631	11,801
Non-financial assets					
Land and buildings					
Infrastructure, plant and equipment	11,292	13,307	17,007	16,247	16,187
Heritage and cultural assets					
Inventories					
Intangibles	1,345	1,345	1,345	1,345	1,345
Other non-financial assets	472	357	242	224	224
Total non-financial assets	13,109	15,009	18,594	17,816	17,756
Total assets	26,829	24,346	29,321	29,447	29,557
LIABILITIES					
Interest bearing liabilities					
Loans					
Leases	94				
Deposits					
Overdraft					
Other interest bearing liabilities					
Total interest bearing liabilities	94	-	-	-	-
Provisions					
Employees	11,366	10,858	10,968	11,078	11,188
Other provisions	2,771	2,786	2,801	2,816	2,816
Total provisions	14,137	13,644	13,769	13,894	14,004
Payables					
Suppliers					
Grants					
Dividends					
Borrowing costs					
Other payables	78	79	80	81	81
Total payables	78	79	80	81	81
Total liabilities	14,309	13,723	13,849	13,975	14,085

Table 3.2: Budgeted departmental statement of financial position *as at 30 June*, continued

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
EQUITY					
Parent entity interest					
Contributed equity	10,173	8,276	13,125	13,125	13,125
Reserves	2,347	2,347	2,347	2,347	2,347
Statutory funds					
Retained surpluses or accumulated deficits					
Total parent entity interest	12,520	10,623	15,472	15,472	15,472
Total equity	12,520	10,623	15,472	15,472	15,472
Total assets and liabilities by maturity:					
Current assets	13,720	9,337	10,727	11,631	11,801
Non-current assets	13,109	15,009	18,594	17,816	17,756
Current liabilities	5,294	5,078	5,124	5,171	5,211
Non-current liabilities	9,015	8,645	8,725	8,804	8,874

**Table 3.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	2,601	621	623	623	623
Appropriations	56,695	58,383	53,818	52,385	51,772
Interest					
Dividends					
Other	6,089	3,186	3,186	3,186	3,186
Extraordinary items					
Total cash received	65,385	62,190	57,627	56,194	55,581
Cash used					
Employees	35,119	35,171	32,434	31,835	30,881
Suppliers	19,421	21,900	20,291	19,423	19,764
Grants	88	88	88	88	88
Borrowing costs					
Other	4,338	1,805	1,805	1,805	1,805
Extraordinary items					
Total cash used	58,966	58,964	54,618	53,151	52,538
Net cash from or (used by) operating activities	6,419	3,226	3,009	3,043	3,043
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment		10	60	60	60
Proceeds from sales of financial instruments					
Bills of exchange and promissory notes					
Repayments of loans made					
Proceeds from sales of Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)					
Other					
Extraordinary items					
Total cash received	-	10	60	60	60
Cash used					
Purchase of property, plant and equipment	7,559	6,168	7,903	3,103	3,103
Purchase of financial Instruments					
Bills of exchange and promissory notes					
Loans made					
Purchase of Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)					
Other					
Extraordinary items					
Total cash used	7,559	6,168	7,903	3,103	3,103
Net cash from or (used by) investing activities	(7,559)	(6,158)	(7,843)	(3,043)	(3,043)

**Table 3.3: Budgeted departmental statement of cash flows
(for the period ended 30 June), continued**

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity		3,065	4,800		
Proceeds from issuing financial instruments					
Proceeds from loans					
Other					
Extraordinary items					
Total cash received	-	3,065	4,800	-	-
Cash used					
Repayments of debt	573				
Capital use charge paid					
Dividends paid		-	-	-	-
Other					
Extraordinary items					
Total cash used	573	-	-	-	-
Net cash from/(used by) financing activities	(573)	3,065	4,800	-	-
Net increase or (decrease) in cash held	(1,713)	133	(34)	-	-
Cash at the beginning of the reporting period	1,887	174	307	273	273
Effect of exchange rate movements on cash at the beginning of reporting period					
Cash at the end of the reporting period	174	307	273	273	273

Table 3.4: Departmental capital budget statement

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections		3,065	4,800		
Total loans					
Total capital appropriations		3,065	4,800		
Represented by:					
Purchase of non-financial assets		3,065	4,800		
Other					
Total		3,065	4,800		
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation		3,065	4,800		
Funded internally by departmental resources		3,103	3,103	3,103	3,103
Total		6,168	7,903	3,103	3,103

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004–05)

	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								24,866
Additions				20,968		3,898		6,168
Disposals				(10)				(10)
Net revaluation increments/decrements								-
Recoverable amount write-downs								-
Depreciation/amortisation expense				(4,143)				(4,143)
Recoverable amount write-downs								-
Other movements								-
Carrying amount at the end of year				22,983		3,898		26,881
Total additions				2,015		-		2,015
Represented by:								
Self-funded								-
Appropriations				2,015				2,015
Total represented by:				2,015		-		2,015

Table 3.6: Schedule of budgeted revenues and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
REVENUES					
Non-taxation (revenues from government)					
Goods and services	3,377	3,600	3,600	3,600	3,600
Revenue from sale of assets		10	10	10	10
Rents					
Royalties					
Correction of fundamental error					
Other sources of non-taxation	53	10	10	10	10
Total non-taxation	3,430	3,620	3,620	3,620	3,620
Total revenues administered on behalf of government	3,430	3,620	3,620	3,620	3,620
EXPENSES					
Grants	3,751	2,449	1,821	1,824	1,767
Subsidies					
Personal benefits	1,434	784	785	787	820
Employees	883	900	900	900	900
Suppliers	28,187	11,606	8,274	8,310	8,626
Depreciation and amortisation	162	113	113	113	113
Write-down and impairment of assets					
Value of assets sold		10	10	10	10
Total expenses administered on behalf of government	34,417	15,862	11,903	11,944	12,236

Table 3.7: Schedule of budgeted assets and liabilities administered on behalf of government (for the period ended 30 June)

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
ASSETS					
Financial assets					
Cash	433	530	623	716	809
Receivables	1,594	1,590	1,590	1,590	1,590
Accrued revenues	897	897	897	897	897
Other financial assets					
Total financial assets	2,924	3,017	3,110	3,203	3,296
Non-financial assets					
Land and buildings	32,058	32,018	31,978	31,938	31,898
Infrastructure, plant and equipment	489	436	383	330	277
Heritage and cultural assets					
Inventories	231	231	231	231	231
Intangibles					
Other non-financial assets	15	15	15	15	15
Total non-financial assets	32,793	32,700	32,607	32,514	32,421
Total assets administered on behalf of government	35,717	35,717	35,717	35,717	35,717
LIABILITIES					
Provisions					
Employees	175	175	175	175	175
Total provisions	175	175	175	175	175
Payables					
Suppliers	278	278	278	278	278
Grants and subsidies					
Personal benefits payable	10,300	10,300	10,300	10,300	10,300
Other payables					
Total payables	10,578	10,578	10,578	10,578	10,578
Total liabilities administered on behalf of government	10,753	10,753	10,753	10,753	10,753

**Table 3.8: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods	3,112	3,600	3,600	3,600	3,600
Rendering of services					
GST input credit receipts	1,934	650	500	500	500
GST receipts from customers	299	300	300	300	300
Cash from Official Public Account —					
Appropriations	37,606	13,094	8,283	8,234	8,616
Special Accounts					
Other	53	10	10	10	10
Other					
Total cash received	43,004	17,654	12,693	12,644	13,026
Cash used					
GST payments (Agency)	312				
GST payments to suppliers	3,170	1,200	800	800	800
Employees	942	950	950	950	950
Grant payments	3,751	2,449	1,821	1,824	1,767
Interest paid					
Subsidies paid					
Personal benefits	734	784	785	787	810
Suppliers	29,450	11,312	8,234	8,180	8,596
Cash to Official Public Account from —					
Appropriations	4,235	852			
Special Accounts					
Other					
Other					
Total cash used	42,594	17,547	12,590	12,541	12,923
Net cash from/(used by) operating activities	410	107	103	103	103

**Table 3.8: Schedule of budgeted administered cash flows
(for the period ended 30 June), continued**

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment and intangibles		10	10	10	10
Cash from Official Public Account					
Transfers from Other Entities					
Other					
Total cash received		10	10	10	10
Cash used					
Purchase of property, plant and equipment and intangibles	262	20	20	20	20
Other					
Total cash used	262	20	20	20	20
Net cash from / (used by) investing activities	(262)	(10)	(10)	(10)	(10)
FINANCING ACTIVITIES					
Cash received					
Cash received — Equity instruments	200				
Other					
Total cash received	200		-	-	-
Cash used					
Other					
Total cash used	-	-	-	-	-
Net cash from / (used by) financing activities	200	-	-	-	-
Net increase or (decrease) in cash held	348	97	93	93	93
Cash at beginning of reporting period	85	433	530	623	716
Effect of exchange rate movements on cash at beginning of reporting period					
Cash at end of reporting period	433	530	623	716	809

Table 3.9: Schedule of administered capital budget

	Actual 2003–04 \$'000	Revised Budget 2004–05 \$'000	Forward estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000
CAPITAL APPROPRIATIONS					
Administered capital	200	-	-	-	-
Special appropriations					
Total capital appropriations	200	-	-	-	-
Represented by:					
Purchase of non-financial assets		-	-	-	-
Other					
Total represented by	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation		-	-	-	-
Funded internally by departmental resources		20	20	20	20
Total		20	20	20	20

Table 3.10: Schedule of administered non-financial assets — summary of movement (Budget year 2004–05)

	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 start of year	28,000	6,719		1,211				35,930
Additions				20				20
Disposals				10				10
Net revaluation increments/decrements				(10)				
Recoverable amount w rite-downs								
Depreciation/amortisation expense		(2,701)		(795)				(3,496)
Recoverable amount w rite-downs								
Carrying amount at end of year	28,000	4,018	-	436	-	-	-	32,454
Total additions		(2,701)		(775)				(3,476)

DEPARTMENTAL FINANCIAL STATEMENTS

The budgeted financial statements comprise full financial statements for the department and budgeted estimates in tabular form for Administered items. Together, these show the revised financial performance for the 2004–05 Budget year and each of the forward years from 2005–06 to 2007–08. The statements also include the Budget estimate for 2004–05 for comparative purposes.

The budgeted statements contain estimates prepared in accordance with the requirements of the government’s financial budgeting and reporting framework, including the principles of the Australian Accounting Standards and Statements of Accounting Concepts, as well as specific guidelines issued by the Department of Finance and Administration.

Budgeted departmental statement of financial performance

This statement provides a picture of the expected financial results for the department by identifying full accrual expenses and revenues, which highlights whether the department is operating at a sustainable level.

Budgeted departmental statement of financial position

This statement shows the financial position of the department. It helps decision makers to track the management of 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 capital budget statement

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

Departmental non-financial assets — summary of movement

This summary shows budgeted acquisitions and disposals of non-financial assets during the Budget year.

SCHEDULE OF ADMINISTERED ACTIVITY

Schedule of budgeted revenues and expenses administered on behalf of government

This schedule identifies the main revenues and expenses administered on behalf of government.

Part C: Agency Additional Estimates Statements – PM&C

Schedule of budgeted assets and liabilities administered on behalf of government

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

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of government.

Schedule of administered capital budget

This schedule shows details of planned administered capital expenditure.

Schedule of administered non-financial assets — summary of movement

This schedule discloses details of movements in administered non-financial assets.

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

Revenue

Appropriation revenue accounts for 95% of departmental revenue. Other revenue, which accounts for the remaining 5%, relates to the activities of the Campaign Advertising special account, sales of goods and services (AUSPIC), sale of assets and resources received free of charge.

Expenses

Employee expenses comprise approximately 60% of departmental expenses for 2004–05. The remainder is largely made up of supplier expenses.

Other expenses relate to the activities of the Campaign Advertising special account.

Assets

Infrastructure, plant and equipment comprises office fit-out and office equipment.

Intangibles are computer software applications.

Other assets are prepayments.

Liabilities

Employee liabilities are provisions for recreation leave, long service leave and accrued salaries.

Suppliers are creditors (usually invoices on hand, but not yet due for payment).

Equity

Reserves are asset revaluation reserves resulting from the revaluation undertaken during 2002–03.

Administered

Revenue

Other revenue relates to the activities of the Media Commissions special account.

Expenses

Grants relate to grants made from funding from the Women’s programmes and grants made to the National Australia Day Council.

Personal benefits relate to the allowances for the former Governors-General.

Suppliers includes women’s programmes, state occasions and official visits, the Prime Minister’s official residences, support to former Governors-General, and compensation and legal expenses.

Depreciation relates to the Prime Minister’s official residences, plant and equipment and other.

Other expenses relate to the activities of the Media Commissions special account.

Assets

Cash and receivables relate to the activities of the Media Commissions Account special account.

Land and buildings are the Prime Minister’s official residences: the Lodge and Kirribilli House.

Infrastructure, plant and equipment comprises furniture and fittings within the Prime Minister’s official residences and within the offices of the former Governors-General.

Other assets are prepayments and inventory (official gifts relinquished as part of the state occasions and official visits item).

Liabilities

Employee liabilities are provisions relating to staff at the Lodge and Kirribilli House, and entitlements for former Governors-General.

Suppliers are creditors (usually invoices on hand, but not yet due for payment).

Appendix 1: OSW Administered Programme funding

	Budget estimate 2004–05 \$'000s	Revised estimate 2004–05 \$'000s	Forward estimate 2005–06 \$'000s
Total Partnerships Against Domestic Violence 2	3,402	284	-
Total National Approach Against Sexual Assault	5,101	2,911	-
Total Women's Development Programmes	1,500	411	-
Total National Leadership Initiative	496	14	-
Total Informed Choices for Women	533	73	-
Total Other Women's Programmes	557	45	-
Total Administered Funding	11,589	3,738	-

Women's Policy was transferred to FaCS in November 2004. The 2004-05 revised estimates listed above reflect actual program spending to the date of transfer. Departmental advice to the Prime Minister on women's policy will continue to be provided through Output 2.1 Social Policy.

