

NATIONAL WATER COMMISSION

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NATIONAL WATER COMMISSION

Section 1: Agency overview

The National Water Commission (NWC) is an independent statutory authority with two key responsibilities: assessing the implementation and promoting the objectives and outcomes of the National Water Initiative Intergovernmental Agreement, and advising on financial assistance to be provided by the Commonwealth under the components of the Australian Water Fund. The NWC was created as a result of the National Water Initiative Intergovernmental Agreement (signed by the Commonwealth and all states and territories with the exception of Western Australia and Tasmania at the Council of Australian Governments meeting on 25 June 2004), and formally established by the *National Water Commission Act 2004* (which received Royal Assent on 17 December 2004).

Table 1.1: Agency outcomes and output groups

Outcome	Description	Output groups
Outcome		
Sustainable management and use of Australia's water resources	The sustainable management and use of Australia's water resources	Output Group 1 Policy advice Output Group 2 Programme management

Section 2: Agency resources for 2005–06

2.1: APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2005–06, including appropriations. The table summarises how revenue will be applied by outcome, administered and departmental classification.

The total appropriation for the NWC in the 2005–06 Budget is \$282.986 million.

Table 2.1: Appropriations and other revenue 2005–06 ('000)

Outcome	Appropriations					Other revenue available to be used ⁵		Total resources ⁷
	\$'000	\$'000	\$'000	\$'000	% ⁶	\$'000	% ⁶	\$'000
	Bill No. 1	Bill No. 2 ²	Special approp ³	Total approp ⁴				
Outcome 1 – Sustainable management and use of Australia's water resources								
Administered	272,700	-	-	272,700	100%	-	0%	272,700
Departmental	10,286	-	-	10,286	99%	60	1%	10,346
Total outcome 1	282,986	-	-	282,986	100%	60	0%	283,046
Total agency								
Administered	272,700	-	-	272,700	100%	-	0%	272,700
Departmental	10,286	-	-	10,286	99%	60	1%	10,346
Total agency	282,986	-	-	282,986	100%	60	0%	283,046
Departmental capital (equity injections)	-	-	-	-	-	-	-	-
Previous year's outputs	-	-	-	-	-	-	-	-
Administered assets and liabilities	-	-	-	-	-	-	-	-
Total resources	282,986	-	-	282,986	100%	60	0%	283,046

- 1 This table has been redesigned to correspond with Budget Paper No. 4 'Agency Resourcing'. It now includes (where appropriate) administered revenue from other sources.
 - 2 Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.
 - 3 Estimated expenses from individual Special Appropriations are shown at Section 3, Tables 3.1 etc.
 - 4 Total appropriations = Bill No. 1 + Bill No. 2 + Special appropriations.
 - 5 Revenue from other sources includes FMA s. 31 revenues, CAC body revenues that are available to be expensed, special accounts (non-appropriation revenues) and resources received free of charge.
 - 6 Percentage figures indicate the percentage contribution of Revenue from Government (Departmental and Administered Appropriations) to the total price of outputs, by outcome, and the percentage contribution of Revenue from other sources (departmental) to the total price of outputs, by outcome.
 - 7 Total resources = Total appropriations + Revenue from other sources.
- Note: Refer to Budgeted statement of financial performance for application of agency revenue.

2.2: 2005–06 BUDGET MEASURES

Budget measures relating to the Office as explained in Budget Paper No. 2 are summarised in Table 2.2.

Table 2.2: Agency measure

Measure	Outcome	Output groups affected	Appropriations budget			Appropriations forward estimate			Appropriations forward estimate			Appropriations forward estimate		
			2005–06 (\$'000)			2006–07 (\$'000)			2007–08 (\$'000)			2008–09 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Expense Measures														
Efficiency dividend – increase in the rate from 1 per cent to 1.25 per cent	1	1.1 & 1.2	-	(25)	(25)	-	(25)	(25)	-	(25)	(25)	-	-	-
Total Expenses			-	(25)	(25)	-	(25)	(25)	-	(25)	(25)	-	-	-

See Budget Paper No. 2 for an explanation of the measure in this table.

2.3: OTHER RECEIPTS AVAILABLE TO BE USED

Table 2.3 provides details of other receipts available to be used and includes FMA s. 31 receipts, special accounts (non-appropriation receipts) and resources received free of charge. The principal source of other receipts for the NWC relates to resources received free of charge.

Table 2.3: Other receipts available to be used

	Estimated receipts 2004–05 \$'000	Budget estimate 2005–06 \$'000
Departmental other receipts		
Resources provided free of charge	-	60 ¹
Total administered other receipts available to be used	-	60

1 Resources provided free of charge represent ANAO services.

2 This table replaces the former table 'Receipts from independent sources'. It represents own source receipts available for spending on departmental purposes.

2.4: MOVEMENT OF ADMINISTERED FUNDS FROM 2004–05 TO 2005–06

The NWC does not have any movements of administered funds from 2004–05 to 2005–06.

2.5: SPECIAL APPROPRIATIONS

The NWC will not receive any special appropriations in 2005–06.

2.6: SPECIAL ACCOUNTS

The Australian Water Fund Account was established under s. 40 of the *National Water Commission Act 2004*. The purposes of this Special Account, in relation to which amounts may be debited from the Account, and as outlined in s. 42 of the Act, are:

- (a) to provide financial assistance that is:
 - (i) awarded by the Minister to particular projects relating to Australia's water resources; and
 - (ii) determined by the Minister to be provided from the Account; or

- (b) to pay or discharge the costs, expenses or other obligations incurred by the Commonwealth in the performance of the NWC’s functions under this Act or the regulations; or
- (c) to pay any remuneration or allowances payable to any person under this Act.

Because the NWC’s administered appropriations operate through a Special Account, any unexpended administered appropriation will form part of the closing year end balance of the Australian Water Fund Account and will be available in the subsequent budget period. This is in accordance with normal treatment of Special Accounts and is illustrated in Table 2.4 where 2005–06 payments are larger than 2005–06 receipts. Thus in 2005–06 Special Account payments are estimated at \$316.047 million, including an existing \$43.347 million from 2004–05.

Table 2.4: Estimates of special account flows and balances

		Opening balance 2005–06 <i>2004–05</i>	Receipts 2005–06 <i>2004–05</i>	Payments 2005–06 <i>2004–05</i>	Adjustments 2005–06 <i>2004–05</i>	Closing balance 2005–06 <i>2004–05</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
The Australian Water Fund Account – s. 40 NWC Act and s. 21 FMA Act (A)	1	43,500	272,700	316,047	-	153
		-	50,000	6,500	-	43,500
Total special accounts						
2005–06 Budget estimate		43,500	272,700	316,047	-	153
<i>2004–05 estimate actual</i>		<i>-</i>	<i>50,000</i>	<i>6,500</i>	<i>-</i>	<i>43,500</i>

2.7: ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Commission will not receive any equity injections or loans in 2005–06.

Section 3: Agency outcomes

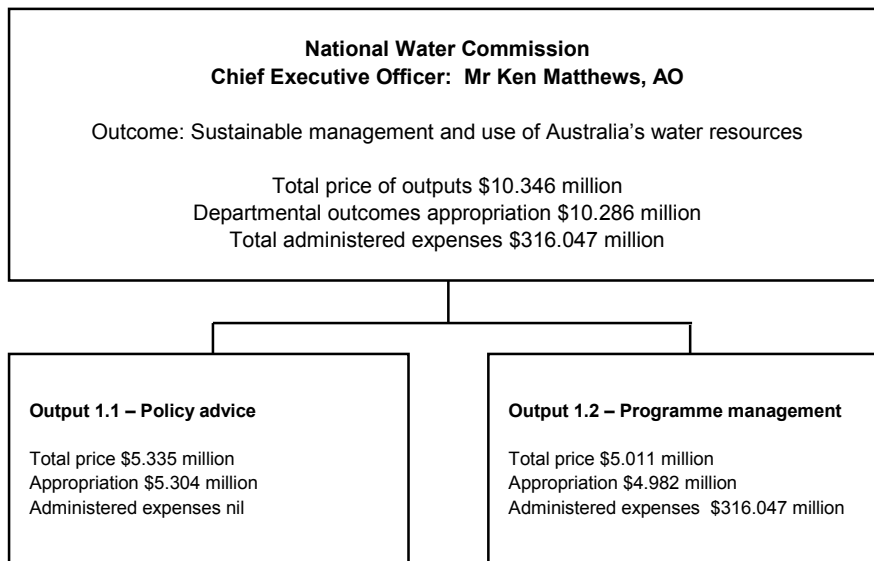
This section explains how the resources identified in Section 2 will be used to deliver outputs and how administered items contribute to the NWC’s outcome.

3.1: SUMMARY OF OUTCOMES, OUTPUTS AND ADMINISTERED ITEMS

The relationship between the activities of the NWC and its planned outcome is summarised in Figure 1.

For the purposes of the 2005–06 Portfolio Budget Statements, the NWC has implemented a preliminary activity-based costing method to define the cost attribution of overheads (business support costs) across the various outputs. At this stage of the development of the methodology, business support costs are allocated on the estimated utilisation of these costs by staff. This method will be further refined during 2005–06 to enable the Commission to allocate overheads between outputs more precisely.

Figure 1: Outcomes and output groups and administered items



3.2: OUTCOMES — DEPARTMENTAL AND ADMINISTERED

Because the NWC is a new agency, it is not yet possible to report on trends in resources for outcomes.

3.3: OUTCOMES RESOURCING

Outcome 1 resourcing

Table 3.1 shows how the 2005–06 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources (departmental) and the total price of outputs.

Table 3.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000
Administered appropriations		
to Special Account Name – The Australian Water Fund Account <i>National Water Commission Act 2004 – The Australian Water Fund Account</i>	50,000	272,700
Total administered appropriations	50,000	272,700
from Special Accounts (estimated payments from Special Account balances¹)		
<i>The Australian Water Fund Account (National Water Commission Act 2004 and s21 FMA Act)</i>	6,500	316,047
Total Special Account outflows	6,500	316,047
Departmental appropriations		
Output 1.1 – Policy advice	3,443	5,304
Subtotal Output Group 1.1	3,443	5,304
Departmental appropriations		
Output 1.2 – Programme management	3,443	4,982
Subtotal Output Group 1.2	3,443	4,982
Total revenue from government (appropriations) Contributing to price of departmental outputs	6,886	10,286
Revenue from other sources		
Output 1.1 – Policy advice	-	31
Output 1.2 – Programme management	-	29
Total revenue from other sources	-	60
Total price from departmental outputs (Total revenue from government and from other sources)	6,886	10,346
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	56,886	283,046
	2004–05	2005–06
Average staffing level (number)	22	48

1 Flows into Special Accounts are also shown in the receipts column of Table 2.4, Estimates of special account flows and balances. Special Account outflows are shown in the payments column of that table. The estimated payments from special account balances are provided by way of note only and do not form part of the total estimated resourcing.

2 The difference between estimated payments from Special Account balances and administered appropriations to The Australian Water Fund Account is funded from previous year's appropriations.

Measures affecting Outcome 1

Refer to Budget Paper 2.

Performance information for Outcome 1

Table 3.2 shows the NWC's performance measures, which are unchanged since the 2004–05 Additional Estimates.

The NWC's initial performance information framework is shown below. This will be refined in the light of practical experience.

Table 3.2: Performance information for Outcome 1

Effectiveness — overall achievement of Outcome 1	
<ul style="list-style-type: none"> Water management and use in Australia is moving towards consistency with the objectives of the National Water Initiative. The government is provided with relevant and timely policy advice so that it is able to further its national water reform agenda. Water management improvement programmes and practices are successfully implemented in accordance with agreed plans. 	
Performance information by output component	
Output and measurement	Performance information
Output group 1.1: Policy Advice	
Quality	Ministers' satisfaction with the quality, relevance and timeliness of the NWC's advice.
Quantity	Advice is provided as required to enable the government to achieve its national water reform objectives.
Price	\$5.335 million
Output group 1.2: Programme Management	
Quality	Water programmes are implemented to the satisfaction of government and key stakeholders as determined by satisfaction surveys.
Quantity	The planned number of water programmes is implemented.
Price	\$5.011 million
Administered item: Water Programmes	
Quality	Water programmes are implemented on time, on budget and achieve planned objectives.
Quantity	The planned number of water programmes is implemented.
Price	\$272.7 million

Evaluations for Outcome 1

No evaluations are planned by the NWC for 2005–06.

Section 4: Other reporting requirements

4.1: PURCHASER–PROVIDER ARRANGEMENTS

The NWC has no purchaser–provider arrangements.

4.2: COST RECOVERY ARRANGEMENTS

The NWC does not have any cost recovery arrangements.

4.3: AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)

The NWC does not have any Indigenous expenditure.

Section 5: Budgeted financial statements

5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

During the preparation of the 2004–05 Portfolio Additional Estimates it was expected that the NWC would commence its functions in late 2004. However, the Commission did not become a prescribed agency until 14 February 2005. While significant milestones have been achieved in 2004–05 there have been delays in the Commission's ability to reach its full level of operation and has subsequently not been able to spend its full appropriation.

The NWC received operating revenue of \$4.783 million and capital of \$2.103 million in 2004–05. The NWC framed its Statement of financial performance around balanced budgets; however, the estimated actual for 2004–05 reflects the impact of the delay in the commencement of the NWC's operations.

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

Departmental

Statement of financial performance

Looking forward to 2005–06, operating revenue will be used to meet employee and supplier expenses and capital used for office fit-out and office equipment. The expenses generated by the office fit-out and equipment purchases will be fully capitalised and these will therefore flow to the Statement of financial position as assets. The resulting depreciation expenses will increase operating expenses as shown.

Statement of financial position

Despite budgeting for balanced budgets, the NWC will generate cash surpluses in 2004–05 because of the delay in beginning its operations. Further cash surpluses will be generated because the NWC will not have to pay for non-cash expenses in 2005–06 and out years. These cash surpluses will increase from year to year and are shown in the cash line of the Statement of financial position. Employees' leave liabilities have been increased in line with increasing employee numbers and reflect take-on balances of accrued entitlements for these staff. These provisions are shown against the employee provision line. The NWC is expecting to replace non-financial assets and pay out employee provisions within the timeframe of the Budget statements in what is considered to be the normal utilisation of such items.

Statement of cash flows

While the NWC largely expects to pay out all its revenue and capital against expenses and capital procurement (except for non-cash items), the Statement of cash flows shows the impact of the delay in commencement of the NWC's operations. This resulted in a higher than budgeted cash holding at 30 June 2005 and an increased cash holding at the end of the 2005–06 year.

Departmental capital budget statement

This statement shows the NWC receiving \$2.103 million in capital in 2004–05 and utilising this mainly to purchase capital items in that financial year, with the balance of the amount being used in the 2005–06 financial year. It also shows that the NWC is expecting to purchase capital items from its own resources in 2005–06 and out years.

Departmental non-financial assets — summary of movement 2005–06

This statement shows the split between 'Buildings' (leasehold improvements) and 'Other infrastructure plant and equipment'.

Administered

Schedule of budgeted revenues and expenses administered on behalf of government

Administered expenses, principally grants, will be significantly lower in 2004–05 than originally budgeted. This situation will improve in 2005–06 and out years as the NWC's operations reach their intended levels.

Administered expenses will exceed appropriation in 2005–06 by \$43.347 million. Given that the operation of the Australian Water Fund Account allows this, residual funds from 2004–05 will be able to be utilised.

Administered funding is shown as being fully expensed against grants, supplier expenses and remuneration of Commissioners (excluding the CEO).

Schedule of budgeted administered cash flows

This statement shows that the NWC is receiving its cash via ordinary appropriations and fully spending this on grants, payments to suppliers and remuneration of the Commissioners.

5.2: BUDGETED FINANCIAL STATEMENTS TABLES

Table 5.1: Budgeted departmental statement of financial performance for the period ended 30 June

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from government	4,783	10,286	10,211	10,385	10,177
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Reversals of previous asset write-downs	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	60	60	60	60	60
Revenues from ordinary activities	4,843	10,346	10,271	10,445	10,237
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	2,268	5,621	5,622	5,667	5,715
Suppliers	983	4,077	4,045	4,110	4,058
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	35	532	568	556	420
Write-down of assets and impairment of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	-	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	3,286	10,230	10,235	10,333	10,193
Borrowing costs expense	-	-	-	-	-
Share of net profits or (losses) of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-

**Table 5.1: Budgeted departmental statement of financial performance (cont.)
for the period ended 30 June**

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
Operating surplus or (deficit) from ordinary activities	1,557	116	36	112	44
Gain or (loss) on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Net surplus or (deficit)	1,557	116	36	112	44
Outside equity interests in net surplus or (deficit)	-	-	-	-	-
Net surplus or deficit attributable to the Australian Government	1,557	116	36	112	44
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	-	-	-	-	-
Total changes in equity other than those resulting from transactions with owners as owners	1,557	116	36	112	44

Table 5.2: Budgeted departmental statement of financial position as at 30 June

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
ASSETS					
Financial assets					
Cash	3,044	3,833	4,799	5,891	6,484
Receivables	-	-	-	-	-
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	3,044	3,833	4,799	5,891	6,484
Non-financial assets					
Land and buildings	624	498	371	244	116
Infrastructure, plant and equipment	1,184	1,208	767	337	345
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Other non-financial assets	-	-	-	-	-
Total non-financial assets	1,808	1,706	1,138	581	461
Total assets	4,852	5,539	5,937	6,472	6,945
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employees	993	1,411	1,833	2,258	2,687
Other provisions	-	-	-	-	-
Total provisions	993	1,411	1,833	2,258	2,687
Payables					
Suppliers	200	353	292	293	292
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other payables	-	-	-	-	-
Total payables	200	353	292	293	292
Total liabilities	1,193	1,764	2,125	2,551	2,979

**Table 5.2: Budgeted departmental statement of financial position (cont.)
as at 30 June**

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
EQUITY					
Parent entity interest					
Contributed equity	2,103	2,103	2,103	2,103	2,103
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	1,556	1,672	1,707	1,818	1,863
Total parent entity interest	3,659	3,775	3,810	3,921	3,966
Outside equity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total outside equity interest	-	-	-	-	-
Total equity	3,659	3,775	3,810	3,921	3,966
Current assets	3,044	3,833	4,799	5,891	6,484
Non-current assets	1,808	1,706	1,138	581	461
Current liabilities	528	819	897	1,038	1,179
Non-current liabilities	665	945	1,228	1,513	1,800

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

**Table 5.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	-	-	-	-	-
Appropriations	4,783	10,286	10,211	10,385	10,177
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	4,783	10,286	10,211	10,385	10,177
Cash used					
Employees	1,275	5,203	5,199	5,242	5,286
Suppliers	723	3,864	4,045	4,051	3,998
Grants	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	1,998	9,067	9,244	9,293	9,284
Net cash from or (used by) operating activities	2,785	1,219	967	1,092	893
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	1,844	430	-	-	300
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	1,844	430	-	-	300
Net cash from or (used by) investing activities	(1,844)	(430)	-	-	(300)

**Table 5.3: Budgeted departmental statement of cash flows (cont.)
for the period ended 30 June**

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	2,103	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	2,103	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	2,103	-	-	-	-
Net increase or (decrease) in cash held	3,044	789	967	1,092	593
Cash at the beginning of the reporting period	-	3,044	3,833	4,800	5,892
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
Cash at the end of the reporting period	3,044	3,833	4,800	5,892	6,485

Table 5.4: Departmental capital budget statement

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	2,103	-	-	-	-
Total loans	-	-	-	-	-
Total capital appropriations	2,103	-	-	-	-
Represented by:					
Purchase of non-financial assets	1,844	430	-	-	300
Other	-	-	-	-	-
Total represented by	1,844	430	-	-	300
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	1,844	259	-	-	-
Funded internally by					
Departmental resources	-	171	-	-	300
Total	1,844	430	-	-	300

Table 5.5: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2005–06)

	Land	Investment property	Buildings (leasehold improvements)	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	\$'000
As at 1 July 2005									
Gross book value	-	-	635	-	1,209	-	-	-	1,844
Accumulated depreciation	-	-	11	-	25	-	-	-	36
Opening net book value	-	-	624	-	1,184	-	-	-	1,808
Additions:									
by purchase	-	-	-	-	80	-	350	-	430
by finance lease	-	-	-	-	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-	-	-	-	-
Net revaluation increment/decrement	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	127	-	318	-	87	-	532
Recoverable amount write-downs	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-	-
Disposals:									
from disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-	-
other disposals	-	-	-	-	-	-	-	-	-
As at 30 June 2006									
Gross book value	-	-	635	-	1,289	-	350	-	2,274
Accumulated depreciation	-	-	138	-	343	-	87	-	568
Closing net book value	-	-	497	-	946	-	263	-	1,706

Table 5.6: Schedule of budgeted revenues and expenses administered on behalf of government for the period ended 30 June

	Estimated actual 2004–05 \$'000	Budget estimates 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
REVENUES ADMINISTERED ON BEHALF OF GOVERNMENT					
Taxation					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Total taxation	-	-	-	-	-
Non-taxation (revenues from government)					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Revenues from sale of assets	-	-	-	-	-
Other sources of non-taxation revenues	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Total non-taxation	-	-	-	-	-
Total revenues administered on behalf of government	-	-	-	-	-
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	6,442	314,897	559,000	548,844	189,341
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Employees	-	-	-	-	-
Suppliers	-	1,000	1,000	1,000	1,000
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Interest	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	58	150	153	156	159
Extraordinary items	-	-	-	-	-
Total expenses administered on behalf of government	6,500	316,047	560,153	550,000	190,500

Table 5.7: Schedule of budgeted administered cash flows for the period ended 30 June

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
OPERATING ACTIVITIES					
Cash received					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Sales of goods	-	-	-	-	-
Rendering of services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Borrowing costs	-	-	-	-	-
Employees	-	-	-	-	-
Grant payments	6,442	314,897	559,000	548,844	189,341
Interest paid	-	-	-	-	-
Subsidies paid	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	1,000	1,000	1,000	1,000
Other	58	150	153	156	159
Total cash used	6,500	316,047	560,153	550,000	190,500
Net cash from/(used by) operating activities	(6,500)	(316,047)	(560,153)	(550,000)	(190,500)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Proceeds from sales of investments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Transfers from other entities	-	-	-	-	-
Investments (s. 39 FMA Act, s. 18 CAC Act, s. 19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-

**Table 5.7: Schedule of budgeted administered cash flows (cont.)
for the period ended 30 June**

	Estimated actual 2004–05 \$'000	Budget estimate 2005–06 \$'000	Forward estimate 2006–07 \$'000	Forward estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000
Cash used					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
Investments (s. 39 FMA Act, s. 18 CAC Act, s. 19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Net repayment of borrowings	-	-	-	-	-
Dividends paid	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held	(6,500)	(316,047)	(560,153)	(550,000)	(190,500)
Cash at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for Appropriations					
Special accounts	6,500	316,047	560,153	550,000	190,500
Transfers from other entities (Finance – whole of government)	-	-	-	-	-
Cash to Official Public Account for Appropriations	-	-	-	-	-
Special accounts	-	-	-	-	-
Transfers from other entities (Finance – whole of government)	-	-	-	-	-
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
Cash at end of reporting period	-	-	-	-	-

5.3: NOTES TO THE FINANCIAL STATEMENTS

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.