

# ATTORNEY-GENERAL'S DEPARTMENT

## Outcomes and Outputs

**Attorney-General's Department**  
**Secretary: Mr Robert Cornall**

Total Price of Outputs \$184.101m  
Departmental Outcomes Appropriation \$152.390m  
Total Administered Expenses Appropriation \$348.964m

### **Outcome 1**

An equitable and accessible system of federal civil justice

Total Price \$52.384m  
Departmental Outputs Appropriation \$43.349m  
Administered Expenses Appropriation \$265.427m

#### **Output 1.1**

Legal services and policy advice on courts and tribunals, alternative dispute resolution, administrative law, human rights, evidence and procedure

Total Price \$9.731m  
Appropriation \$9.458m

#### **Output 1.4**

Legal services and policy advice on international law

Total Price \$3.944m  
Appropriation \$3.639m

#### **Output 1.5**

Drafting of legislative and other instruments, publication of legislative materials and provision of related legal services

Total Price \$7.886m  
Appropriation \$6.046m

#### **Output 1.6**

Legal services and policy advice on information law

Total Price \$8.420m  
Appropriation \$3.178m

#### **Output 1.2**

Support for the Attorney-General as First Law Officer, advice on constitutional policy, and promotion of Australian legal services internationally

Total Price \$3.382m  
Appropriation \$3.173m

#### **Output 1.7**

Legal services and policy advice on native title

Total Price \$5.624m  
Appropriation \$5.531m

#### **Output 1.3**

Legal services and policy advice on family law and legal assistance and the administration of government programs providing legal assistance and family law related services

Total Price \$13.397m  
Appropriation \$12.324m

## Outcomes and Outputs (continued)

<p><b>Attorney-General's Department</b>  <b>Secretary: Mr Robert Cornall</b></p> <p>Total Price of Outputs \$184.101m                  Departmental Outcomes Appropriation \$152.390m                  Total Administered Expenses Appropriation \$348.964m</p>	
<p><b>Outcome 2</b>                  Coordinated federal criminal justice, security and emergency management activity, for a safer Australia</p> <p>Total Price \$131.717m                  Departmental Outputs Appropriation \$109.041m                  Administered Expenses Appropriation \$83.537m</p>	
<p><b>Output 2.1</b>                  Policy advice on, and program administration and regulatory activities associated with, the Commonwealth's domestic and international responsibilities for criminal justice and crime prevention, and meeting Australia's obligations in relation to extradition and mutual assistance</p> <p>Total Price \$41.544m                  Appropriation \$19.543m</p>	<p><b>Output 2.4</b>                  Development and promotion of protective security policy, advice and common standards and practices, and the coordination of protective security services, including counter-terrorism and dignitary protection</p> <p>Total Price \$29.145m                  Appropriation \$24.764m</p>
<p><b>Output 2.2</b>                  Legal services and policy advice on security law</p> <p>Total Price \$1.669m                  Appropriation \$6.005m</p>	<p><b>Output 2.5</b>                  Management and coordination of the delivery of security and guarding services to meet diplomatic, consular and other Commonwealth responsibilities</p> <p>Total Price \$31.158m                  Appropriation \$31.158m</p>
<p><b>Output 2.3</b>                  Provide national leadership in the development of emergency management measures to reduce risk to communities and manage the consequences of disasters</p> <p>Total Price \$28.201m                  Appropriation \$27.571m</p>	

## Section 1: Overview, variations and measures

### **OVERVIEW**

The overview provides a summary of the Department's Additional Estimates variations to administered and departmental appropriations. Explanations of the variations are set out later in this Section.

The Additional Estimates variations do not result in any changes in the Department's outcomes and outputs structure.

### **ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES**

#### **Departmental**

##### **Contact Orders Program**

Funding will be transferred from administered expenses to departmental expenses to assist in the administration of the program (\$0.3m).

##### **Supplementation for Comcover**

Additional funding will be provided for an increase in the Department's Comcover premium for 2003-04 (\$0.087m).

##### **Wage Cost Index adjustments**

Wage Cost Indices are used to adjust most Commonwealth expense items. The adjustments at Additional Estimates incorporate changes that have occurred in the indices since May 2003.

##### **Supplementation for financial assistance towards legal costs and related expenses**

Funding of \$2.0m will be transferred from the National Native Title Tribunal to supplement funding for financial assistance towards legal costs and related expenses in native title matters (\$1.920m in administered expenses) and to assist program administration (\$0.080m in departmental funding).

#### **Administered**

##### **Movement of funds – Family Relationships Services Program**

Funding of \$0.134m will be moved from 2002-03 to 2003-04 for grants to family relationships services organisations.

##### **Movement of funds – Commonwealth Legal Aid Program**

Funding of \$0.153m will be moved from 2002-03 to 2003-04 for the Commonwealth Legal Aid Program.

**Supplementation for financial assistance towards legal costs and related expenses**

Funding of \$2.0m will be transferred from the National Native Title Tribunal to supplement funding for financial assistance towards legal costs and related expenses in native title matters (\$1.920m in administered expenses) and to assist program administration (\$0.080m in departmental funding).

**Movement of funds – financial assistance towards legal costs and related expenses**

Funding of \$2.691m will be moved from 2002–03 to 2003–04 for final payments of financial assistance towards legal costs and related expenses for witnesses who appeared before the Building and Construction Industry (BCI) and the HIH Insurance Royal Commissions.

**Contact Orders Program**

Funding will be transferred from administered expenses to departmental expenses in order to assist in the administration of the program (\$0.3m).

**International Criminal Court – Australia's contribution**

Additional funding of \$1.585m will be provided for 2003–04 for increases in Australia's contribution to the International Criminal Court (ICC) in line with the budget for the ICC for the 2004 calendar year.

**Wage Cost Index adjustments**

Wage Cost Indices are used to adjust most Commonwealth expense items. The adjustments at Additional Estimates incorporate changes that have occurred in the indices since May 2003.

**Adjustment to legal aid funding**

A variation of \$1.209m will be made to prior year wage cost index adjustments for the legal aid program.

**Measures**

	2003–04 (\$'000)	2004–05 (\$'000)	2005–06 (\$'000)	2006–07 (\$'000)
<b>Outcome 1</b>				
Budget estimates – enhanced quality and timeliness	300	291	296	302
<b>Outcome 2</b>				
Budget estimates – enhanced quality and timeliness	365	353	361	369
Combating trafficking in persons – whole of government strategy	150	110	50	90
National Threat Assessment Centre – establishment	143	347	329	336
<b>Total</b>	<b>958</b>	<b>1,101</b>	<b>1,036</b>	<b>1,097</b>

## Other variations to appropriations

	2003–04 (\$'000)	2004–05 (\$'000)	2005–06 (\$'000)	2006–07 (\$'000)
<b>Outcome 1</b>				
<b>Variations in administered appropriations</b>				
Contact Orders Program – transfer between administered and departmental expenses	(321)	(329)	(336)	(344)
Movement of funds – family relationships services program	134	-	-	-
Movement of funds – financial assistance towards legal costs and related expenses	2,691	-	-	-
Movement of funds – Commonwealth Legal Aid Program	153	-	-	-
Supplementation for financial assistance towards legal costs and related expenses	1,920	-	-	-
Wage Cost Index adjustment to the Legal Aid Program	1,209			
Wage Cost Index adjustment	-	(1,041)	(1,707)	(1,091)
<b>Total variations in administered appropriations</b>	<b>5,786</b>	<b>(1,370)</b>	<b>(2,043)</b>	<b>(1,435)</b>
<b>Variations in departmental appropriations</b>				
Supplementation for financial assistance towards legal costs and related expenses	80	-	-	-
Contact Orders Program – transfer between administered and departmental expenses	321	329	336	344
Supplementation for the increase in Comcover premium	39	-	-	-
Wage Cost Index adjustment	-	(182)	(315)	(371)
<b>Total variations in departmental appropriations</b>	<b>440</b>	<b>147</b>	<b>21</b>	<b>(27)</b>
<b>Total Outcome 1 variations</b>	<b>6,226</b>	<b>(1,223)</b>	<b>(2,022)</b>	<b>(1,462)</b>
<b>Outcome 2</b>				
<b>Variations in administered appropriations</b>				
Increase in Australia's contribution to the International Criminal Court	1,585	-	-	-
Wage Cost Index adjustment	-	89	83	83
<b>Total variations in administered appropriations</b>	<b>1,585</b>	<b>89</b>	<b>83</b>	<b>83</b>
<b>Variations in departmental appropriations</b>				
Supplementation for the increase in Comcover premium	48	-	-	-
Wage Cost Index adjustment	-	(144)	(260)	(297)
<b>Total variations in departmental appropriations</b>	<b>48</b>	<b>(144)</b>	<b>(260)</b>	<b>(297)</b>
<b>Total Outcome 2 variations</b>	<b>1,633</b>	<b>(55)</b>	<b>(177)</b>	<b>(214)</b>

## **MEASURES AND OTHER VARIATIONS – AGENCY SUMMARY**

### **National Threat Assessment Centre – establishment**

The Government will provide \$1.472m over five years from 2003–04 to 2007–08 to the Attorney-General's Department for the provision of a public affairs component for the National Threat Assessment Centre.

The funding will provide for effective and pro-active media management and for the development of public information strategies in relation to the work of the new National Threat Assessment Centre.

### **Combating trafficking in persons – whole of government strategy**

The Government will provide \$13.1m over four years to implement a whole of government strategy to combat people trafficking and sexual servitude in Australia. The additional funding includes \$0.4m over four years for the Attorney-General's Department to establish a community education program to raise awareness about trafficking in persons.

### **Budget estimates – enhanced quality and timeliness**

The Government will provide additional funding to agencies of \$88.5m over five years (including \$0.1m in 2007–08) to implement the Budget Estimates and Framework Review (BEFR) recommendations. This funding includes capital of \$7.4m over four years.

In the 2003–04 Budget the Government made provision for \$78.0m 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 \$10.5m over five years to fund agencies to implement BEFR recommendations.

The Government has provided the Attorney-General's Department with funding of \$88.5m over five years (including \$0.1m in 2007–08) to implement the Budget Estimates and Framework Review (BEFR) recommendations. Of this, \$2.9m will be provided to the Attorney-General's Department over four years including \$0.3m in capital in 2003–04. Funding for each financial year from 2003–04 to 2006–07 is shown in Table 1.1 below.

**Table 1.1: Summary of Measures since the 2003–04 Budget**

Measure	Outcome	Outputs 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
Combating trafficking in persons – whole of government strategy	2	-	-	150	150	-	110	110	-	50	50	-	90	90
National Threat Assessment Centre – establishment	2	-	-	143	143	-	347	347	-	329	329	-	336	336
Budget estimates – enhanced quality and timeliness *	1,2	-	-	665	665	-	644	644	-	657	657	-	671	671
<b>Total</b>			-	<b>958</b>	<b>958</b>	-	<b>1,101</b>	<b>1,101</b>	-	<b>1,036</b>	<b>1,036</b>	-	<b>1,097</b>	<b>1,097</b>

19 **Capital Measure**

\* Capital of \$0.251m received in 2003–04 as a result of Budget estimates – enhanced quality and timeliness, will be appropriated as a capital injection in 2003–04.

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**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>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
An equitable and accessible system of federal civil justice	193,140	141,274	145,642	4,368	-
<b>Outcome 2</b>					
Coordinated federal criminal justice, security and emergency management activity, for a safer Australia	11,644	26,154	27,739	1,585	-
<b>Total Administered</b>	<b>204,784</b>	<b>167,428</b>	<b>173,381</b>	<b>5,953</b>	<b>-</b>
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
An equitable and accessible system of federal civil justice	50,684	47,868	48,608	740	-
<b>Outcome 2</b>					
Coordinated federal criminal justice, security and emergency management activity, for a safer Australia	83,741	103,404	104,110	706	-
<b>Total Departmental</b>	<b>134,425</b>	<b>151,272</b>	<b>152,718</b>	<b>1,446</b>	<b>-</b>
<b>Total Administered and Departmental</b>	<b>339,209</b>	<b>318,700</b>	<b>326,099</b>	<b>7,399</b>	<b>-</b>

Notes:

1. An amount of \$0.390m (\$0.328m for departmental expenses and \$0.062m for administered expenses) has been transferred from the Attorney-General's Department to the Department of the Prime Minister and Cabinet for the National Counter-Terrorism Committee Secretariat. This transfer is not included in the appropriation Bills but is included in the financial statements and outcomes and outputs map.
2. The departmental output appropriations by outcome vary between the outcome and output map and the table above, however the total departmental output appropriations for the two outcomes is the same in both tables (except see note 1 above).

**Table 1.3: Appropriation Bill (No 4) 2003–04**

	2002–03 Available \$'000	2003–04 Budget \$'000	2003–04 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>SPECIFIC PAYMENTS TO THE STATES AND TERRITORIES</b>					
<b>Outcome 1</b>					
An equitable and accessible system of federal civil justice	80,053	85,826	87,244	1,418	-
<b>Outcome 2</b>					
Coordinated federal criminal justice, security and emergency management activity, for a safer Australia	-	-	-	-	-
<b>Total Operating</b>	<b>80,053</b>	<b>85,826</b>	<b>87,244</b>	<b>1,418</b>	<b>-</b>
<b>Non-Operating</b>					
Equity injections	-	-	251	251	-
Loans	-	-	-	-	-
Previous year's outputs	1,848	5,151	5,151	-	-
<b>Total Non-Operating</b>	<b>1,848</b>	<b>5,151</b>	<b>5,402</b>	<b>251</b>	<b>-</b>
<b>Total</b>	<b>81,901</b>	<b>90,977</b>	<b>92,646</b>	<b>1,669</b>	<b>-</b>

## SUMMARY OF STAFFING CHANGES

**Table 1.4: Average Staffing Level (ASL)**

	2003–04 Budget	2003–04 Revised	Variation
<b>Outcome 1</b>			
An equitable and accessible system of federal civil justice	318.5	322.5	4.0
<b>Outcome 2</b>			
Coordinated federal criminal justice, security and emergency management activity, for a safer Australia	387.5	390.9	3.4
<b>Total</b>	<b>706.0</b>	<b>713.4</b>	<b>7.4</b>

Notes:

1. The increase in staffing levels comprises 4.5 for BEFR, 0.7 for NTAC, 0.2 for combating trafficking in persons and 2.0 for the Contact Orders Program.

**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 2003-04 Budget \$'000	Total Approp 2003-04 Revised \$'000	Receipts from Independent Sources Budget \$'000	Receipts from Independent Sources Revised \$'000	Variation in Non-Govt Revenue \$'000
<b>Outcome 1</b>					
An equitable and accessible system of federal civil justice	47,868	48,608	1,962	2,779	817
<b>Outcome 2</b>					
Coordinated federal criminal justice, security and emergency management activity, for a safer Australia	103,404	104,110	3,251	4,240	989
<b>Total</b>	<b>151,272</b>	<b>152,718</b>	<b>5,213</b>	<b>7,019</b>	<b>1,806</b>

**Explanation of Variations**

Estimates of revenue for the Department's user charging services have been revised to take account of projected higher activity levels than those that were estimated for the 2003-04 Budget.

## REVENUE FROM INDEPENDENT SOURCES

**Table 1.6: Revenue from Independent Sources**

	Budget Estimate 2003–04 \$'000	Revised Estimate 2003–04 \$'000
<b>DEPARTMENTAL REVENUE</b>		
Sales of goods and services	5,213	7,019
<b>Total sale of goods and services and interest</b>	<b>5,213</b>	<b>7,019</b>
Resources received free of charge	136	136
<b>Total other</b>	<b>136</b>	<b>136</b>
<b>Total non-appropriation departmental revenue</b>	<b>5,349</b>	<b>7,155</b>
<b>ADMINISTERED REVENUE</b>		
Dividends	3,940	3,940
Competitive neutrality payments	5,500	5,500
<b>Total dividends and competitive neutrality</b>	<b>9,440</b>	<b>9,440</b>
Other sources of non-tax revenue	170	-
Miscellaneous receipts	154	-
<b>Total other sources of non-tax revenue</b>	<b>324</b>	<b>-</b>
<b>Total non-appropriation administered revenue</b>	<b>9,764</b>	<b>9,440</b>

## ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

**Table 1.7: Estimates of Expenses from Special Appropriations**

	Budget Estimate 2003–04 \$'000	Revised Estimate 2003–04 \$'000
<b>Estimated expenses</b>		
<i>Judges' Pensions Act 1968</i>	30,488	30,488
<i>Remuneration and Allowances Act 1990 – Justices of the High Court</i>	2,053	2,053
<i>National Firearms Program Implementation Act 1996 – Administration</i>	-	-
<i>National Handgun Buyback Act 2003</i>	55,860	55,860
<b>Total estimated expenses</b>	<b>88,401</b>	<b>88,401</b>

## ESTIMATED SPECIAL ACCOUNT FLOWS

**Table 1.8: Estimated Special Account Flows**

Revised Estimate: 2003–04, Heavy Figures

Final Actual: 2002–03, Light figures

	Opening Balance 2003–04 2002–03 \$'000	Receipts 2003–04 2002–03 \$'000	Payments 2003–04 2002–03 \$'000	Adjustments 2003–04 2002–03 \$'000	Closing Balance 2003–04 2002–03 \$'000
Services on behalf of other Government and non-public bodies – s20 FMA Act (A) *	387 5,920	4,424 2,429	4,374 7,962	- -	437 387
Other trust moneys – s20 FMA Act (A)	86 86	12 1	1 1	- -	97 86
Auscript – s21 FMA Act (D)	- 2,552	- -	- 2,552	- -	- -
<b>Total Special Accounts</b>	<b>473</b> <b>8,558</b>	<b>4,436</b> <b>2,430</b>	<b>4,375</b> <b>10,515</b>	<b>-</b> <b>-</b>	<b>534</b> <b>473</b>

(D) = Departmental (A) = Administered

FMA Act = *Financial Management and Accountability Act 1997*

\* Includes the purchase of specialised equipment on behalf of the States and Territories.

## Section 2: Revisions to outcomes and outputs

### **OUTCOMES AND OUTPUTS**

There are no changes to the outcomes and outputs structures as a direct result of Additional Estimates.

### **Output Cost attribution**

The output prices comprise direct expense budgets allocated to divisions and the attribution of indirect costs. The output prices include provision for the budgeted deficit for the Department for 2003-04 (refer to Section 3).

## Section 3: Budgeted financial statements

This section presents revised budgeted financial statements for the current financial year and for the three out-years. The separately grouped Departmental and Administered budgeted statements are: revenues and expenses (Tables 3.1 and 3.6); assets and liabilities (Tables 3.2 and 3.7); cash flow (Tables 3.3 and 3.8); and capital budgets (Table 3.4).

### ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

#### Departmental financial statements

The budgeted deficit comprises:

- Program deficits of \$21.1m for expenditure of funds carried over from previous financial years for CrimTrac (\$13.8m), the National Crime Prevention program (\$5.7m), the National Firearms Training Module (\$1.1m), the Tough on Drugs program (\$0.4m) and various minor projects (\$0.1m), and
- An operational deficit of \$3.5m as a result of increases in the Department's workloads.

The major variations from 2003–04 to 2004–05 and future years are:

- Funding for incident response capability equipment purchases provided in the 2002–03 Budget (\$7.9m) ending in 2003–04
- Additional funding for guarding (\$20.7m) ending in 2003–04 pending a review of future funding requirements
- Resourcing for the National Security Hotline (\$6.0m) ending in 2003–04 pending a review of future funding requirements, and
- Funding for the National Crime Prevention program (\$4.0m) ending in 2003–04 pending a review of the program.

An amount of \$0.390m (\$0.328m for departmental expenses and \$0.062m for administered expenses) has been transferred from the Attorney-General's Department to the Department of the Prime Minister and Cabinet for the National Counter-Terrorism Committee Secretariat. This transfer is not included in the appropriation bills but is included in the financial statements and outcomes and outputs map.

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

	Note	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		143,888	152,390	114,893	114,773	115,410
Goods and Services		5,235	7,019	5,213	5,213	5,213
Interest		1,017	-	-	-	-
Revenue from sales of assets		2	-	-	-	-
Other		1,486	136	136	136	136
<b>Revenues from ordinary activities</b>		<b>151,628</b>	<b>159,545</b>	<b>120,242</b>	<b>120,122</b>	<b>120,759</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>						
Employees		59,414	66,367	60,162	61,145	61,982
Suppliers		96,761	111,903	56,350	55,246	55,045
Depreciation and amortisation		6,427	5,831	3,730	3,731	3,732
Write-down of assets		334	-	-	-	-
Value of assets sold		46	-	-	-	-
Other		24	-	-	-	-
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>		<b>163,006</b>	<b>184,101</b>	<b>120,242</b>	<b>120,122</b>	<b>120,759</b>
Borrowing cost expense		385	-	-	-	-
<b>Operating surplus or deficit from ordinary activities</b>		<b>(11,763)</b>	<b>(24,556)</b>	-	-	-
Gain or loss on extraordinary items		-	-	-	-	-
Correction of fundamental error		-	-	-	-	-
<b>Net surplus or deficit</b>		<b>(11,763)</b>	<b>(24,556)</b>	-	-	-
Capital Use Charge*		7,731	-	-	-	-
<b>Net surplus or deficit attributable to Commonwealth</b>		<b>(19,494)</b>	<b>(24,556)</b>	-	-	-

\* The Capital Use Charge was discontinued from 1 July 2003.

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

Note	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 assets</b>					
Cash	3,660	2,000	2,000	2,000	2,000
Receivables	54,589	30,922	34,105	33,295	30,953
<b>Total financial assets</b>	<b>58,249</b>	<b>32,922</b>	<b>36,105</b>	<b>35,295</b>	<b>32,953</b>
<b>Non-financial assets</b>					
Land and buildings	5,271	5,271	5,271	5,271	5,271
Infrastructure, plant and equipment	13,244	15,259	13,069	13,879	16,221
Inventories	134	134	134	134	134
Intangibles	6,824	6,824	6,824	6,824	6,824
Other	832	833	833	833	833
<b>Total non-financial assets</b>	<b>26,305</b>	<b>28,321</b>	<b>26,131</b>	<b>26,941</b>	<b>29,283</b>
<b>Total assets</b>	<b>84,554</b>	<b>61,243</b>	<b>62,236</b>	<b>62,236</b>	<b>62,236</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Leases	2,021	2,021	2,021	2,021	2,021
Other	96	96	96	96	96
<b>Total interest bearing liabilities</b>	<b>2,117</b>	<b>2,117</b>	<b>2,117</b>	<b>2,117</b>	<b>2,117</b>
<b>Provisions</b>					
Employees	19,876	20,869	21,862	21,862	21,862
<b>Total provisions</b>	<b>19,876</b>	<b>20,869</b>	<b>21,862</b>	<b>21,862</b>	<b>21,862</b>
<b>Payables</b>					
Suppliers	16,348	9,286	9,286	9,286	9,286
Other	68	7,131	7,131	7,131	7,131
<b>Total payables</b>	<b>16,416</b>	<b>16,417</b>	<b>16,417</b>	<b>16,417</b>	<b>16,417</b>
<b>Total liabilities</b>	<b>38,409</b>	<b>39,403</b>	<b>40,396</b>	<b>40,396</b>	<b>40,396</b>
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	22,157	22,408	22,408	22,408	22,408
Reserves	10,133	10,133	10,133	10,133	10,133
Retained surpluses or accumulated deficits	13,855	(10,701)	(10,701)	(10,701)	(10,701)
<b>Total parent equity interest</b>	<b>46,145</b>	<b>21,840</b>	<b>21,840</b>	<b>21,840</b>	<b>21,840</b>
<b>Total equity</b>	<b>46,145</b>	<b>21,840</b>	<b>21,840</b>	<b>21,840</b>	<b>21,840</b>
<b>Current liabilities</b>	<b>23,602</b>	<b>24,377</b>	<b>24,655</b>	<b>24,655</b>	<b>24,655</b>
<b>Non-current liabilities</b>	<b>14,807</b>	<b>15,026</b>	<b>15,741</b>	<b>15,741</b>	<b>15,741</b>
<b>Current assets</b>	<b>59,215</b>	<b>33,889</b>	<b>37,072</b>	<b>36,262</b>	<b>33,920</b>
<b>Non-current assets</b>	<b>25,339</b>	<b>27,354</b>	<b>25,164</b>	<b>25,974</b>	<b>28,316</b>

**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	153,850	171,528	114,821	114,700	115,336
Goods and services	6,437	7,019	5,213	5,213	5,213
Interest	1,092	-	-	-	-
Other	8,656	4,460	-	810	2,342
<b>Total cash received</b>	<b>170,035</b>	<b>183,007</b>	<b>120,034</b>	<b>120,723</b>	<b>122,891</b>
<b>Cash used</b>					
Employees	56,101	65,374	59,170	61,145	61,982
Suppliers	94,666	111,768	56,169	55,110	54,909
Borrowing costs	385	-	-	-	-
Other	34,000	-	3,227	-	-
<b>Total cash used</b>	<b>185,152</b>	<b>177,142</b>	<b>118,566</b>	<b>116,255</b>	<b>116,891</b>
<b>Net cash from/(used by) operating activities</b>	<b>(15,117)</b>	<b>5,865</b>	<b>1,468</b>	<b>4,468</b>	<b>6,000</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Capital injection	-	251	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>251</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	4,800	7,776	1,468	4,468	6,000
Other	1,057	-	-	-	-
<b>Total cash used</b>	<b>5,857</b>	<b>7,776</b>	<b>1,468</b>	<b>4,468</b>	<b>6,000</b>
<b>Net cash from/(used by) investing activities</b>	<b>(5,857)</b>	<b>(7,525)</b>	<b>(1,468)</b>	<b>(4,468)</b>	<b>(6,000)</b>
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash used</b>					
Capital use charge paid	8,996	-	-	-	-
Other	4,640	-	-	-	-
<b>Total cash used</b>	<b>13,636</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>(13,636)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash held</b>	<b>(34,610)</b>	<b>(1,660)</b>	<b>3,183</b>	<b>(737)</b>	<b>(2,268)</b>
Cash at the beginning of the reporting period	38,270	3,660	2,000	2,000	2,000
<b>Cash at end of reporting period</b>	<b>3,660</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>

**Table 3.4: Departmental Capital Budget Statement**

	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>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	251	-	-	-
Total loans	-	-	-	-	-
Appropriation of previous year's carryover	-	5,151	-	-	-
<b>Total</b>	-	<b>5,402</b>	-	-	-
<b>Represented by</b>					
Purchase of non-financial assets	-	251	-	-	-
Other	-	5,151	-	-	-
<b>Total</b>	-	<b>5,402</b>	-	-	-
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations	-	251	-	-	-
Funded internally by departmental resources	-	7,525	1,468	4,468	6,000
<b>Total</b>	-	<b>7,776</b>	<b>1,468</b>	<b>4,468</b>	<b>6,000</b>

**Table 3.5: Departmental Non-financial Assets – Summary of Movement (Budget Year 2003–04)**

	Land \$'000	Buildings \$'000	Other Infrastructure Plant and Equipment \$'000	Computer Software \$'000	Total \$'000
Carrying amount at the start of year	2,075	3,196	13,244	6,824	25,339
Additions	-	-	7,776	-	7,776
Disposals	-	-	-	-	-
Revaluation increments	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-
Depreciation/amortisation expense	-	-	(5,831)	-	(5,831)
Write-off of assets	-	-	-	-	-
<b>Carrying amount at the end of year</b>	<b>2,075</b>	<b>3,196</b>	<b>15,189</b>	<b>6,824</b>	<b>27,284</b>
<b>Total additions</b>					
Self funded	-	-	7,525	-	7,525
Appropriations	-	-	251	-	251
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,776</b>	<b>-</b>	<b>7,776</b>

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**Table 3.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government 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</b>					
<b>Non-taxation</b>					
Revenue from Government	317,875	348,964	284,002	278,449	283,873
Goods and services	3	-	-	-	-
Dividends and competitive neutrality	9,250	9,440	9,440	9,440	9,440
Revenue from sales of assets	1,203	-	-	-	-
Other sources of non-taxation revenue	17,749	324	324	324	324
<b>Total non-taxation</b>	<b>346,080</b>	<b>358,728</b>	<b>293,766</b>	<b>288,213</b>	<b>293,637</b>
<b>Total revenues administered on behalf of the Government</b>	<b>346,080</b>	<b>358,728</b>	<b>293,766</b>	<b>288,213</b>	<b>293,637</b>
<b>EXPENSES</b>					
Grants	209,308	296,683	236,386	230,532	235,670
Subsidies	11,309	19,906	14,039	14,340	14,626
Personal benefits	70,791	32,375	33,577	33,577	33,577
Employees	3,400	-	-	-	-
Suppliers	39,052	170	170	170	170
Depreciation and amortisation	2,838	-	-	-	-
Write-down of assets	2,853	-	-	-	-
Value of assets sold	3,282	-	-	-	-
Other	3,247	-	-	-	-
<b>Total expenses administered on behalf of the Government</b>	<b>346,080</b>	<b>349,134</b>	<b>284,172</b>	<b>278,619</b>	<b>284,043</b>

**Table 3.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government as at 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>ASSETS</b>					
<b>Financial assets</b>					
Cash	277	277	277	277	277
Receivables	354,916	374,947	396,180	396,180	396,180
Investments	187,696	187,696	187,696	187,696	187,696
<b>Total financial assets</b>	<b>542,889</b>	<b>562,920</b>	<b>584,153</b>	<b>584,153</b>	<b>584,153</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	12	12	12	12	12
Inventories	131	131	131	131	131
Other non-financial assets	49	49	49	49	49
<b>Total non-financial assets</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>
<b>Total assets administered on behalf of the Government</b>	<b>543,081</b>	<b>563,112</b>	<b>584,345</b>	<b>584,345</b>	<b>584,345</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Leases	3,629	3,629	3,629	3,629	3,629
<b>Total interest bearing liabilities</b>	<b>3,629</b>	<b>3,629</b>	<b>3,629</b>	<b>3,629</b>	<b>3,629</b>
<b>Provisions</b>					
Employees	51	-	-	-	-
<b>Total provisions</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payables</b>					
Suppliers	3,447	1,206	1,206	1,206	1,206
Personal benefits payable	339,100	359,183	380,416	380,416	380,416
Other payables	68	2,309	2,309	2,309	2,309
<b>Total payables</b>	<b>342,615</b>	<b>362,698</b>	<b>383,931</b>	<b>383,931</b>	<b>383,931</b>
<b>Total liabilities administered on behalf of the Government</b>	<b>346,295</b>	<b>366,327</b>	<b>387,560</b>	<b>387,560</b>	<b>387,560</b>
<b>Current liabilities</b>	<b>19,030</b>	<b>3,515</b>	<b>3,515</b>	<b>3,515</b>	<b>3,515</b>
<b>Non-current liabilities</b>	<b>327,265</b>	<b>362,812</b>	<b>384,045</b>	<b>384,045</b>	<b>384,045</b>
<b>Current assets</b>	<b>30,653</b>	<b>457</b>	<b>457</b>	<b>457</b>	<b>457</b>
<b>Non-current assets</b>	<b>512,428</b>	<b>562,655</b>	<b>583,888</b>	<b>583,888</b>	<b>583,888</b>

**Table 3.8: Schedule of Budgeted Administered 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>					
Dividends	8,500	9,440	9,440	9,440	9,440
Cash from Official Public Account	284,310	331,089	264,945	259,372	264,796
Other	19,463	324	324	324	324
<b>Total cash received</b>	<b>312,273</b>	<b>340,853</b>	<b>274,709</b>	<b>269,136</b>	<b>274,560</b>
<b>Cash used</b>					
Grant payments	206,819	296,683	236,386	230,532	235,670
Interest paid	130	-	-	-	-
Subsidies paid	10,583	19,906	14,039	14,340	14,626
Personal benefits	14,378	14,500	14,500	14,500	14,500
Suppliers	48,339	170	170	170	170
Cash to Official Public Account	22,383	9,594	9,594	9,594	9,594
Other	10,199	-	-	-	-
<b>Total cash used</b>	<b>312,831</b>	<b>340,853</b>	<b>274,689</b>	<b>269,136</b>	<b>274,560</b>
<b>Net cash from operating activities</b>	<b>(558)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of property, plant and equipment	1,256	-	-	-	-
<b>Total cash received</b>	<b>1,256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	664	-	-	-	-
<b>Total cash used</b>	<b>664</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from investing activities</b>	<b>592</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	7,101	-	-	-	-
<b>Total cash received</b>	<b>7,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Cash to Official Public Account	6,903	-	-	-	-
<b>Total cash used</b>	<b>6,903</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from financing activities</b>	<b>198</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash held</b>	<b>232</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at beginning of reporting period	45	277	277	277	277
<b>Cash at end of reporting period</b>	<b>277</b>	<b>277</b>	<b>277</b>	<b>277</b>	<b>277</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Basis of accounting**

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

### **Departmental and 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 that 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 assets, liabilities, revenues and expenses in relation to an agency or authority are those which 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 which 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, fines and excises.

### **Appropriations**

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

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from the agency, and
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the States.

### **Working Capital**

The Department has an approved working capital reserve of \$2.0m. This is shown as 'cash' in Table 3.2 Budgeted Departmental Statement of Financial Position. The balance of the Department's cash reserves are held on account with the Department of Finance and Administration. These amounts are included in 'Receivables' in Table 3.2. The amount held on account at 30 June 2003 was \$34.0m.

### **Capital Use Charge**

The Government has agreed to discontinue the Capital Use Charge from 1 July 2003.

### **Administered investments in controlled entities**

Each Commonwealth Department is required to show an Administered investment in each *Commonwealth Authority and Company Act 1997* (CAC) entity within their portfolio. These Administered investments are valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

### **Asset valuation**

From 1 July 2002 Commonwealth agencies and authorities were 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 of an asset.

