

INSOLVENCY AND TRUSTEE  
SERVICE AUSTRALIA





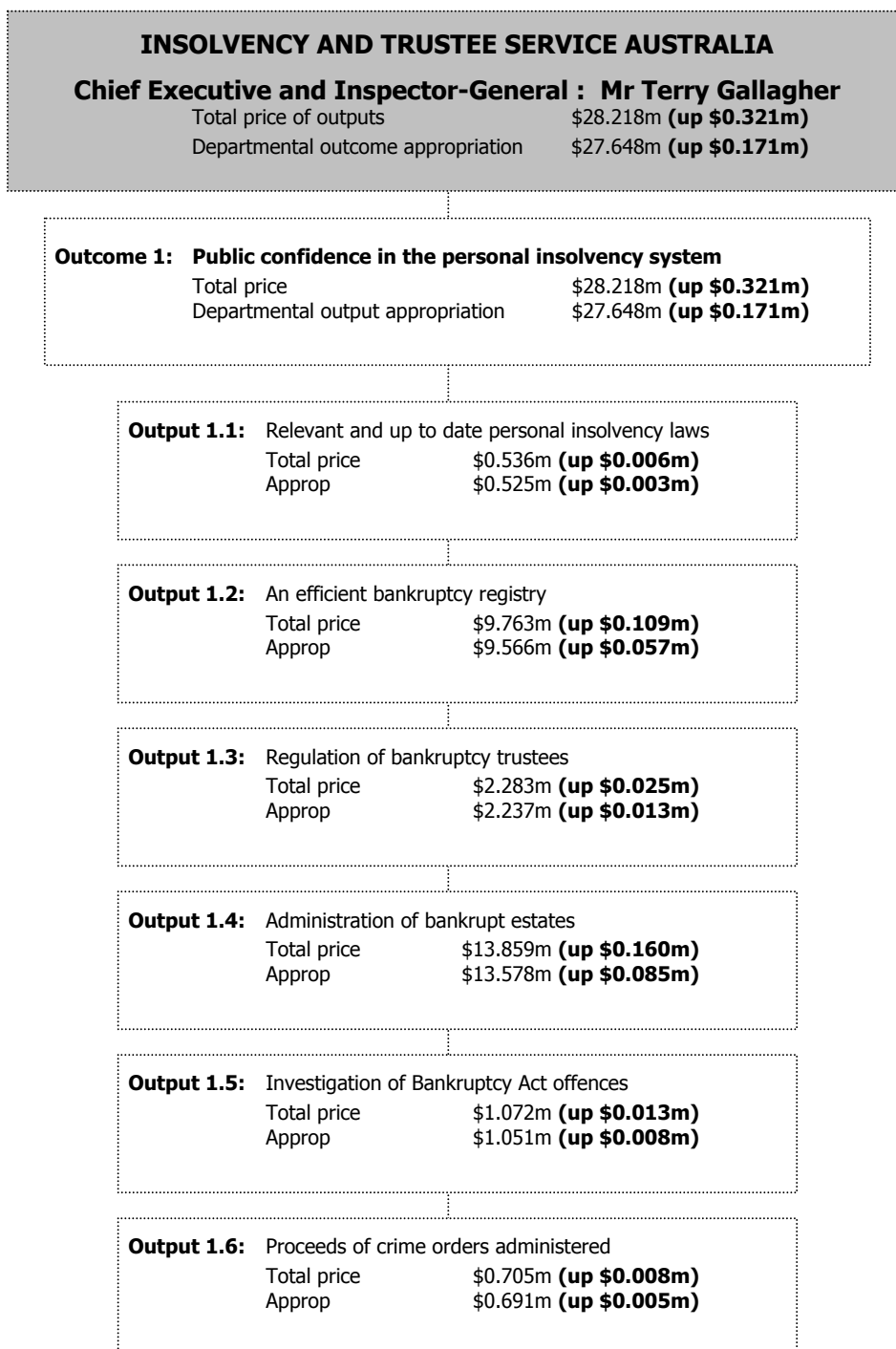


## Section 1: Overview, variations and measures

### OVERVIEW

- The additional estimates variations will not result in any changes in ITSA’s outcome and outputs structure.

**Map 2.1: Outcome and output groups**



## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Additional appropriations have been allocated for estimates variations through Additional Estimates. Details of these additional appropriations and their impact on the achievement of ITSA's outcome and outputs are explained below.

### Additional Estimates and Variations to Outcomes – Departmental

#### Other Variations to Appropriations

	2002–03 (\$'000)	2003–04 (\$'000)	2004–05 (\$'000)	2005–06 (\$'000)
<b>Outcome 1</b>				
Capital Use Charge	195	195	195	195
Agency Banking Incentive Scheme	(24)	(24)	(24)	(24)
<b>Total</b>	<b>171</b>	<b>171</b>	<b>171</b>	<b>171</b>

### Explanation of Variations

#### Departmental

- Increase in appropriation funding of \$0.195m to fund the revised calculation of the Capital Use Charge; and
- Decrease in appropriation funding of \$0.024m is in relation to the Agency Banking Incentive Scheme to adjust for the difference between the estimated interest income and the actual interest income earned on cash holdings.

### BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**Table 1.2: Appropriation Bill (No. 3) 2002–03**

	Actual 2001–02 \$'000	Budget 2002–03 \$'000	Revised 2002–03 \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Public confidence in the personal insolvency system	27,057	27,477	27,648	171	-
<b>Total</b>	<b>27,057</b>	<b>27,477</b>	<b>27,648</b>	<b>171</b>	<b>-</b>

**SUMMARY OF STAFFING CHANGES****Table 1.4: Average staffing level (ASL)**

	Budget 2002–03	Revised 2002–03	Variation
<b>Outcome 1</b>			
Public confidence in the personal insolvency system	239	239	-
<b>Total</b>	<b>239</b>	<b>239</b>	<b>-</b>

**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 2002–03 Budget \$'000	Total approp 2002–03 Revised \$'000	Receipts from independent sources Budget \$'000	Receipts from independent sources Revised \$'000	Variation in non-govt revenue \$'000
<b>Outcome 1</b>					
Public confidence in the personal insolvency system	27,477	27,648	304	454	150
<b>Total</b>	<b>27,477</b>	<b>27,648</b>	<b>304</b>	<b>454</b>	<b>150</b>

**Explanation of Variations****Departmental**

- A decrease in estimated interest income of \$0.093m due to Agency Banking Incentive Scheme interest cap for ITSA; and
- An increase in estimated recovery of legal expenses of \$0.243m.

**Section 2: Revisions to outcomes and outputs**

There are no changes to the performance information for ITSA's outcomes and outputs arising from Additional Estimates variations and measures.

## Section 3: Budgeted Financial Statements

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

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
<b>Revenues from ordinary activities</b>					
Revenues from government	27,173	27,764	28,025	28,431	29,161
Sales of goods and services	153	166	168	169	172
Interest	150	24	24	24	24
Net gains from sale of assets	8	-	-	-	-
Other revenue from other sources	239	264	269	275	280
<b>Total revenues from ordinary activities</b>	<b>27,723</b>	<b>28,218</b>	<b>28,486</b>	<b>28,899</b>	<b>29,637</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	14,357	16,375	17,000	17,943	18,352
Suppliers	9,801	10,662	10,106	9,239	9,986
Write down of assets	54	-	-	-	-
Depreciation and amortisation	1012	969	1,168	1,505	1,087
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>25,224</b>	<b>28,006</b>	<b>28,274</b>	<b>28,687</b>	<b>29,425</b>
Borrowing cost expense	-	-	-	-	-
<b>Net surplus or (deficit) from ordinary activities</b>	<b>2,499</b>	<b>212</b>	<b>212</b>	<b>212</b>	<b>212</b>
Gain or loss on extraordinary items	-	-	-	-	-
<b>Net surplus or (deficit)</b>	<b>2,499</b>	<b>212</b>	<b>212</b>	<b>212</b>	<b>212</b>
Capital use charge	(212)	(212)	(212)	(212)	(212)
<b>Net surplus or (deficit) after capital use charge</b>	<b>2,287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	1,006	500	500	500	500
Receivables	190	100	100	100	100
Investments	4,350	4,255	3,702	2,560	3,310
Accrued revenues	23	5	5	5	5
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>5,569</b>	<b>4,860</b>	<b>4,307</b>	<b>3,165</b>	<b>3,915</b>
<b>Non-financial assets</b>					
Land and buildings	807	1,963	1,944	2,867	2,574
Infrastructure, plant and equip	1,478	1,088	1,203	1,117	1,230
Inventories	35	50	50	50	50
Intangibles	506	702	1,912	2,650	2,522
Other	408	310	320	330	340
<b>Total non-financial assets</b>	<b>3,234</b>	<b>4,113</b>	<b>5,429</b>	<b>7,014</b>	<b>6,716</b>
<b>Total assets</b>	<b>8,803</b>	<b>8,973</b>	<b>9,736</b>	<b>10,179</b>	<b>10,631</b>
<b>LIABILITIES</b>					
<b>Debt</b>	-	-	-	-	-
<b>Total debt</b>	-	-	-	-	-
<b>Provisions and payables</b>					
Employees	5,354	5,880	6,634	7,418	8,041
Suppliers	1,068	814	829	691	600
Capital Use	212	212	212	212	212
Other	457	355	349	146	66
<b>Total provisions and payables</b>	<b>7,091</b>	<b>7,261</b>	<b>8,024</b>	<b>8,467</b>	<b>8,919</b>
<b>Total liabilities</b>	<b>7,091</b>	<b>7,261</b>	<b>8,024</b>	<b>8,467</b>	<b>8,919</b>
<b>EQUITY</b>					
Accumulated results	1,036	1,036	1,036	1,036	1,036
Capital	520	520	520	520	520
Reserves	156	156	156	156	156
<b>Total equity</b>	<b>1,712</b>	<b>1,712</b>	<b>1,712</b>	<b>1,712</b>	<b>1,712</b>
<b>Liabilities and equity</b>	<b>8,803</b>	<b>8,973</b>	<b>9,736</b>	<b>10,179</b>	<b>10,631</b>
<b>Current Assets</b>	6,012	5,220	4,677	3,545	4,305
<b>Non-Current Assets</b>	2,791	3,753	5,059	6,634	6,326
<b>Current Liabilities</b>	3,194	3,267	3,611	3,810	4,014
<b>Non-Current Liabilities</b>	3,897	3,994	4,413	4,657	4,905

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

	<b>Actual 2001–02 \$'000</b>	<b>Revised Budget 2002–03 \$'000</b>	<b>Forward Estimate 2003–04 \$'000</b>	<b>Forward Estimate 2004–05 \$'000</b>	<b>Forward Estimate 2005–06 \$'000</b>
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	27,057	27,648	27,909	28,315	29,045
Sales of goods and services	162	274	168	169	172
Interest	146	24	24	24	24
GST refunds	1,059	1,000	-	-	-
Other	269	264	269	275	280
<b>Total cash received</b>	<b>28,693</b>	<b>29,210</b>	<b>28,370</b>	<b>28,783</b>	<b>29,521</b>
<b>Cash used</b>					
Employees	14,251	15,849	16,245	17,160	17,729
Suppliers	10,946	11,819	9,992	9,473	10,051
Other	-	212	212	212	212
<b>Total cash used</b>	<b>25,197</b>	<b>27,880</b>	<b>26,449</b>	<b>26,845</b>	<b>27,992</b>
<b>Net cash from operating activities</b>	<b>3,496</b>	<b>1,330</b>	<b>1,921</b>	<b>1,938</b>	<b>1,529</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of property, plant and equipment	27	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	1,238	1,931	2,475	3,079	779
<b>Total cash used</b>	<b>1,238</b>	<b>1,931</b>	<b>2,475</b>	<b>3,079</b>	<b>779</b>
<b>Net cash from investing activities</b>	<b>(1,211)</b>	<b>(1,931)</b>	<b>(2,475)</b>	<b>(3,079)</b>	<b>(779)</b>
<b>Net increase in cash held</b>	<b>2,285</b>	<b>(601)</b>	<b>(554)</b>	<b>(1,141)</b>	<b>750</b>
Cash at the beginning of the reporting period	3,071	5,356	4,755	4,201	3,060
<b>Cash at the end of the reporting period</b>	<b>5,356</b>	<b>4,755</b>	<b>4,201</b>	<b>3,060</b>	<b>3,810</b>

**Table 3.4: Departmental Capital Budget Statement**

	<b>Actual 2001–02 \$'000</b>	<b>Revised Budget 2002–03 \$'000</b>	<b>Forward Estimate 2003–04 \$'000</b>	<b>Forward Estimate 2004–05 \$'000</b>	<b>Forward Estimate 2005–06 \$'000</b>
<b>DEPARTMENTAL</b>					
Total loans	-	-	-	-	-
Appropriation of previous year's carryover	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	1,238	1,931	2,475	3,079	779
<b>Total</b>	<b>1,238</b>	<b>1,931</b>	<b>2,475</b>	<b>3,079</b>	<b>779</b>

**Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2002–03)**

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	-	807	807	1,478	1,478	506	2,791
Additions	-	1,410	1,410	191	191	330	1,931
Disposals	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expenses	-	253	253	582	582	134	969
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at the end of year	-	1,964	1,964	1,087	1,087	702	3,753
<b>Total Additions</b>							
Self funded	-	1,410	1,410	191	191	330	1,931
Appropriations	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,410</b>	<b>1,410</b>	<b>191</b>	<b>191</b>	<b>330</b>	<b>1,931</b>

**Table 3.6: Note of Budgeted Administered Financial Performance for the period ended 30 June**

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
<b>REVENUES</b>					
<b>Non-taxation</b>					
Interest and dividends	550	500	500	500	500
Other sources of non-taxation revenues	19,657	20,002	20,002	20,002	20,002
<b>Total non-taxation</b>	20,207	20,502	20,502	20,502	20,502
<b>Total revenues administered on behalf of the Government</b>	<b>20,207</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>
<b>EXPENSES</b>					
Other costs of providing goods and services	-	-	-	-	-
<b>Total expenses administered on behalf of the Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.7: Note of Budgeted Administered Financial Position as at 30 June**

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Receivables	400	400	400	400	400
<b>Total financial assets</b>	400	400	400	400	400
<b>Non-financial assets</b>					
Other	-	-	-	-	-
<b>Total non-financial assets</b>	-	-	-	-	-
<b>Total assets administered on behalf of the Government</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
<b>LIABILITIES</b>					
<b>Provisions and payables</b>					
Other	70	70	70	70	70
<b>Total provisions and payables</b>	70	70	70	70	70
<b>Total liabilities administered on behalf of the Government</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>

**Table 3.8: Note of Budgeted Administered Cash Flows for the period ended 30 June**

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Interest and dividends	550	500	500	500	500
Other	19,657	20,002	20,002	20,002	20,002
<b>Total cash received</b>	<b>20,207</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>
<b>Cash used</b>					
Cash to Official Public Account	20,207	20,502	20,502	20,502	20,502
Other	-	-	-	-	-
<b>Total cash used</b>	<b>20,207</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>	<b>20,502</b>
<b>Net cash from operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash held</b>					
Cash at the beginning of the reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 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

#### The major resourcing variations from Additional Estimates are:

- Increase in appropriation funding of \$0.195m to fund the revised calculation of the Capital Use Charge;
- Decrease in appropriation funding of \$0.024m is in relation to the Agency Banking Incentive Scheme to adjust for the difference between the estimated interest income and the actual interest income earned on cash holdings;
- A decrease in estimated interest income of \$0.093m due to Agency Banking Incentive Scheme interest cap for ITSA; and
- An increase in estimated recovery of legal expenses of \$0.243m.

**APPENDIX 1****Revenue from Independent Sources**

	<b>Budget Estimate 2002–03 \$'000</b>	<b>Revised Estimate 2002–03 \$'000</b>
<b>DEPARTMENTAL REVENUE</b>		
Interest	117	24
Resources received free of charge	116	116
Section 31 (FMA Act) receipts	187	430
<b>Total Non-Appropriation Departmental Revenue</b>	<b>420</b>	<b>570</b>

