

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period are subject to review by the Minister for Finance and Deregulation, and may be moved to a future period, in accordance with provisions in legislation. Table 3.1.1 shows the movement of administered funds approved since the 2008-09 Additional Estimates.

**Table 3.1.1: Movement of administered funds between years**

Movements of funding between years	\$'000
Movement of administered funds from 2008-09 to 2009-10	
Connect Australia	1,485
Television Towers	534
Movement of administered funds from 2008-09 to 2010-11	
Connect Australia	618
Movement of administered funds from 2008-09 to 2016-17	
Regional Equalisation Plan	1,000
Movement of administered funds from 2009-10 to 2010-11	
Connect Australia	297

#### 3.1.2 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Department.

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**Table 3.1.2: Estimates of Special Account cash flows and balances**

		Opening balance <b>2009-10</b> 2008-09	Receipts <b>2009-10</b> 2008-09	Payments <b>2009-10</b> 2008-09	Adjustments <b>2009-10</b> 2008-09	Closing balance <b>2009-10</b> 2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Communications Fund Special Account (A) <sup>1</sup>	1	-	-	-	-	-
- s21 FMA Act <sup>2</sup> and s158ZH TCPSS Act <sup>3</sup>		-	86,343	86,343	-	-
BAF <sup>4</sup> Communications Portfolio Special Account	1	-	1,000,000	1,000,000	-	-
- s21 FMA Act and s68 NBF Act <sup>5</sup>		-	30,000	30,000	-	-
International Aid Special Account (D)	1	-	-	-	-	-
- s20 FMA Act <sup>2</sup>		70	-	70	-	-
Other Trust Monies Account (D)	1	-	-	-	-	-
- s20 FMA Act <sup>2</sup>		1	-	-	(1)	-
<b>Total special accounts</b>						
<b>2009-10 Budget estimate</b>		-	1,000,000	1,000,000	-	-
Total special accounts						
2008-09 estimate actual		71	116,343	116,413	(1)	-

(A) = Administered

(D) = Departmental

1 Reflects interest, investment and management fee flows prior to the closure of the Communications Fund on 1 January 2009 and the transfer of investment balances to the Building Australia Fund administered by the Department of Finance and Deregulation.

2 FMA Act - *Financial Management and Accountability Act 1997*.

3 TCPSS Act - *Telecommunications (Consumer Protection and Service Standards) Act 1999*.

4 BAF – Building Australia Fund.

5. NBF Act - *Nation Building Funds Act 2008*.

### 3.1.3 Australian Government Indigenous Expenditure

**Table 3.1.3: Australian Government Indigenous Expenditure**

	Appropriations				Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Outcome 1</b>						
<b>Administered 2009-10</b>	<b>5,191</b>	-	-	<b>5,191</b>	-	<b>5,191</b>	<b>1.2</b>
<i>Administered 2008-09</i>	<i>5,851</i>	-	-	<i>5,851</i>	-	<i>5,851</i>	
<b>Total Outcome 2009-10</b>	<b>5,191</b>	-	-	<b>5,191</b>	-	<b>5,191</b>	
<i>Total Outcome 2008-09</i>	<i>5,851</i>	-	-	<i>5,851</i>	-	<i>5,851</i>	
<b>Total Administered 2009-10</b>	<b>5,191</b>	-	-	<b>5,191</b>	-	<b>5,191</b>	
<i>Total Administered 2008-09</i>	<i>5,851</i>	-	-	<i>5,851</i>	-	<i>5,851</i>	
<b>Total AGIE 2009-10</b>	<b>5,191</b>	-	-	<b>5,191</b>	-	<b>5,191</b>	
<i>Total AGIE 2008-09</i>	<i>5,851</i>	-	-	<i>5,851</i>	-	<i>5,851</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Differences in agency resourcing and financial statements**

There are no significant differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

### **3.2.2 Analysis of budgeted financial statements**

#### **Departmental financial statements**

##### **Comprehensive Income Statement (showing Net Cost of Services)**

Appropriation revenue has increased by \$45.7 million from \$117.1 million in 2008-09 to \$162.8 million in 2009-10, primarily due to the National Broadband Network – implementation and establishment funding of \$53.2 million. This increase is also influenced by a number of other new measures, as detailed in Table 1.2, and the application of indexation and the Efficiency Dividend. The decline in Appropriation revenue over the Forward Estimates is due to the phasing out of funding for Connect Australia, Australian Broadband Guarantee and Digital Switchover.

The Department is budgeting for an operating loss of \$70,000 in 2008-09. This relates to payments being made from the International Aid Special Account using revenue received in a previous financial year.

##### **Budgeted Departmental Balance Sheet**

The Department's equity position will increase by \$1.5 million over 2009-10 reflecting an equity injection from the government.

#### **Administered financial statements**

##### **Schedule of Income and Expenses administered on behalf of Government**

The increase to the total expenses administered on behalf of Government is due to an increase in the grant payments to the ABC and SBS.

The decreasing level of interest revenue reflects the closure of the Communications Fund on 1 January 2009. The decline in dividend revenue reflects the anticipated decline in Australia Post profits.

The increase in grants expense in 2009-10 largely reflect one-off costs associated with the Cyber-Safety program, the conversion to digital radio under the Community Broadcasting Program, and the commencement of the Regional Telecommunications

Review Response programs. These increases are offset by declining expenses under the Connect Australia program as it winds down.

The decline in subsidies expenses after 2008-09 reflects the anticipated reduction in claims against the Australian Broadband Guarantee Program. The increase in supplier expenses over the period 2009-10 to 2011-12 reflects the implementation of digital switchover in regional South Australia, Victoria and Queensland and depreciation expenses relate to the National Broadband Network – Regional Backbone Blackspot Program. For details of grant payments to CAC Act bodies see the ABC and SBS chapters.

**Schedule of budgeted assets and liabilities administered on behalf of government**

The increase in investments in 2009-10 and 2010-11 is mainly driven by the Government's investment in the company established to roll out and operate the national broadband network, while the infrastructure, plant and equipment increase relates to the National Broadband Network – Regional Backbone Blackspots Program.

**Schedule of budgeted cash flows administered on behalf of Government**

In the main, the estimates of operating cash flows reflect trends shown in the Schedule of Income and Expenses administered on behalf of Government. The increase in cash used for investing activities relates to the investment in the National Broadband Network. The capital injection in 2010-11 forms part of the Government's initial investment in the National Broadband Network.

### 3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental comprehensive income statement  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>EXPENSES</b>					
Employee benefits	67,575	79,159	67,817	64,201	60,905
Supplier	45,072	78,736	29,340	27,179	19,945
Grants	10	-	-	-	-
Depreciation and amortisation	6,100	6,311	6,155	6,154	6,062
Write-down and impairment of assets	-	8	-	-	-
Finance costs	289	32	26	26	26
Other	-	-	-	-	-
<b>Total expenses</b>	<b>119,046</b>	<b>164,246</b>	<b>103,338</b>	<b>97,560</b>	<b>86,938</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	461	-	-	-	-
Other revenue	970	970	-	-	-
<b>Total revenue</b>	<b>1,431</b>	<b>970</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gains</b>					
Other gains	470	470	470	470	470
<b>Total gains</b>	<b>470</b>	<b>470</b>	<b>470</b>	<b>470</b>	<b>470</b>
<b>Total own-source income</b>	<b>1,901</b>	<b>1,440</b>	<b>470</b>	<b>470</b>	<b>470</b>
<b>Net cost of (contribution by) services</b>	<b>117,145</b>	<b>162,806</b>	<b>102,868</b>	<b>97,090</b>	<b>86,468</b>
Appropriation revenue	117,075	162,806	102,868	97,090	86,468
<b>Surplus (Deficit)</b>	<b>(70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (Deficit) attributable to the Australian Government*</b>	<b>(70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>(70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2.2: Budgeted departmental balance sheet  
(as at 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	3,480	3,465	3,477	3,355	3,440
Trade and other Receivables	78,233	78,004	80,497	83,844	85,734
Other	67	67	67	67	67
<b>Total financial assets</b>	<b>81,780</b>	<b>81,536</b>	<b>84,041</b>	<b>87,266</b>	<b>89,241</b>
<b>Non-financial assets</b>					
Land and buildings	8,864	9,154	8,100	7,034	5,951
Infrastructure, plant and equipment	4,617	6,093	5,352	4,436	4,744
Intangibles	1,339	1,416	1,354	1,300	1,255
Other	430	430	430	430	430
<b>Total non-financial assets</b>	<b>15,250</b>	<b>17,093</b>	<b>15,236</b>	<b>13,200</b>	<b>12,380</b>
Assets held for sale					
<b>Total assets</b>	<b>97,030</b>	<b>98,629</b>	<b>99,277</b>	<b>100,466</b>	<b>101,621</b>
<b>LIABILITIES</b>					
<b>Total interest bearing liabilities</b>					
	-	-	-	-	-
<b>Provisions</b>					
Employees	17,770	17,866	18,298	19,487	20,642
Other	4,408	4,398	4,398	4,398	4,398
<b>Total provisions</b>	<b>22,178</b>	<b>22,264</b>	<b>22,696</b>	<b>23,885</b>	<b>25,040</b>
<b>Payables</b>					
Suppliers	6,478	6,478	6,478	6,478	6,478
Other	643	643	643	643	643
<b>Total payables</b>	<b>7,121</b>	<b>7,121</b>	<b>7,121</b>	<b>7,121</b>	<b>7,121</b>
<b>Total liabilities</b>	<b>29,299</b>	<b>29,385</b>	<b>29,817</b>	<b>31,006</b>	<b>32,161</b>
<b>Net assets</b>	<b>67,731</b>	<b>69,244</b>	<b>69,460</b>	<b>69,460</b>	<b>69,460</b>
<b>EQUITY<sup>1</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	303	1,816	2,032	2,032	2,032
Reserves	1,458	1,458	1,458	1,458	1,458
Retained surpluses or accumulated deficits	65,970	65,970	65,970	65,970	65,970
<b>Total parent entity interest</b>	<b>67,731</b>	<b>69,244</b>	<b>69,460</b>	<b>69,460</b>	<b>69,460</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>67,731</b>	<b>69,244</b>	<b>69,460</b>	<b>69,460</b>	<b>69,460</b>
<b>Current assets</b>	<b>82,210</b>	<b>81,966</b>	<b>84,471</b>	<b>87,696</b>	<b>89,671</b>
<b>Non-current assets</b>	<b>14,820</b>	<b>16,663</b>	<b>14,806</b>	<b>12,770</b>	<b>11,950</b>
<b>Current liabilities</b>	<b>18,637</b>	<b>18,665</b>	<b>18,838</b>	<b>19,314</b>	<b>19,776</b>
<b>Non-current liabilities</b>	<b>10,662</b>	<b>10,720</b>	<b>10,979</b>	<b>11,692</b>	<b>12,385</b>

Prepared on Australian Accounting Standards basis.

<sup>1</sup> 'Equity' is the residual interest in assets after deduction of liabilities.

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,431	962	-	-	-
Appropriations	112,886	163,035	100,375	93,743	84,578
Other	-	-	-	-	-
<b>Total cash received</b>	<b>114,317</b>	<b>163,997</b>	<b>100,375</b>	<b>93,743</b>	<b>84,578</b>
<b>Cash used</b>					
Employees	66,166	80,264	68,532	64,159	59,750
Suppliers	43,423	77,065	27,723	25,562	19,475
Grants	10	-	-	-	-
Other	232	42	26	26	26
<b>Total cash used</b>	<b>109,831</b>	<b>157,371</b>	<b>96,281</b>	<b>89,747</b>	<b>79,251</b>
<b>Net cash from or (used by) operating activities</b>	<b>4,486</b>	<b>6,626</b>	<b>4,094</b>	<b>3,996</b>	<b>5,327</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
and equipment	4,414	8,154	4,298	4,118	5,242
<b>Total cash used</b>	<b>4,414</b>	<b>8,154</b>	<b>4,298</b>	<b>4,118</b>	<b>5,242</b>
<b>Net cash from or (used by) investing activities</b>	<b>(4,414)</b>	<b>(8,154)</b>	<b>(4,298)</b>	<b>(4,118)</b>	<b>(5,242)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	303	1,513	216	-	-
<b>Total cash received</b>	<b>303</b>	<b>1,513</b>	<b>216</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>303</b>	<b>1,513</b>	<b>216</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>375</b>	<b>(15)</b>	<b>12</b>	<b>(122)</b>	<b>85</b>
Cash at the beginning of reporting period	3,105	3,480	3,465	3,477	3,355
<b>Cash at the end of the reporting period</b>	<b>3,480</b>	<b>3,465</b>	<b>3,477</b>	<b>3,355</b>	<b>3,440</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009-10)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2009</b>					
Balance carried forward from previous period	65,970	1,458	-	303	67,731
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	65,970	1,458	-	303	67,731
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)				1,513	1,513
<b>Sub-total transactions with owners</b>	-	-	-	1,513	1,513
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2010</b>	65,970	1,458	-	1,816	69,244

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	303	3,364	216	-	-
Total loans	-	-	-	-	-
Special appropriations	-	-	-	-	-
<b>Total capital appropriations</b>	<b>303</b>	<b>3,364</b>	<b>216</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	303	1,513	216	-	-
Other		1,851			
<b>Total represented by</b>	<b>303</b>	<b>3,364</b>	<b>216</b>	<b>-</b>	<b>-</b>
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	303	1,513	216	-	-
Funded internally from Departmental resources <sup>1</sup>	4,111	6,641	4,082	4,118	5,242
Assets received due to restructure (FMA s32)	-	-	-	-	-
<b>TOTAL</b>	<b>4,414</b>	<b>8,154</b>	<b>4,298</b>	<b>4,118</b>	<b>5,242</b>

Prepared on Australian Accounting Standards basis.

- 1 Includes the following sources of funding: annual and prior year appropriations; donations and contributions; gifts; finance leases; internally developed assets; s31 relevant agency receipts; and proceeds from the sale of assets.

**Table 3.2.6: Statement of Asset Movements - Departmental**

	Buildings \$'000	Other Infrastructure, Plant & Equipment \$'000	Intangibles \$'000	Total \$'000
<b>as at 1 July 2009</b>				
Gross book value	13,782	10,789	3,868	28,439
Accumulated depreciation/amortisation	(4,918)	(6,172)	(2,529)	(13,619)
<b>Opening net book balance</b>	<b>8,864</b>	<b>4,617</b>	<b>1,339</b>	<b>14,820</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
by purchase or internally developed	3,726	3,858	570	8,154
<b>Acquisition of entities or operations (including restructuring)</b>				-
<b>Sub-total</b>	<b>3,726</b>	<b>3,858</b>	<b>570</b>	<b>8,154</b>
<b>Other Movements</b>				
Depreciation/amortisation expense	(3,436)	(2,382)	(493)	(6,311)
<b>as at 30 June 2010</b>				
Gross book value	17,508	14,647	4,438	36,593
Accumulated depreciation/amortisation	(8,354)	(8,554)	(3,022)	(19,930)
<b>Closing net book balance</b>	<b>9,154</b>	<b>6,093</b>	<b>1,416</b>	<b>16,663</b>

1 Proceeds may be returned to the Official Public Account.

**Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>	-	-	-	-	-
<b>Taxation</b>	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Interest	86,396	633	504	376	247
Dividends	427,800	151,500	152,600	140,600	140,600
<b>Total non-taxation</b>	514,196	152,133	153,104	140,976	140,847
<b>Total revenues administered on behalf of Government</b>	514,196	152,133	153,104	140,976	140,847
<b>Gains</b>					
Other gains	1,017	-	-	-	-
<b>Total gains administered on behalf of Government</b>	1,017	-	-	-	-
<b>Total income administered on behalf of Government</b>	515,213	152,133	153,104	140,976	140,847
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	85,107	98,151	59,605	58,458	49,037
Subsidies	86,977	61,404	48,190	40,745	2,923
Suppliers	12,010	31,598	49,478	40,143	2,167
Depreciation and amortisation	-	-	6,250	6,250	6,250
Write down and impairment of assets	217	-	-	-	-
Other	6,341	6,335	6,335	6,335	6,335
Grant payments to CAC Act bodies	1,049,870	1,114,895	1,152,111	1,187,714	1,198,780
<b>Total expenses administered on behalf of Government</b>	1,240,522	1,312,383	1,321,969	1,339,645	1,265,492

Prepared on Australian Accounting Standards basis.

**Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	4,309	4,078	3,958	3,907	3,547
Loans to CAC Act bodies	15,000	12,000	9,000	6,000	3,000
Investments	3,970,914	4,743,360	8,416,275	8,421,094	8,421,094
<b>Total financial assets</b>	<b>3,990,223</b>	<b>4,759,438</b>	<b>8,429,233</b>	<b>8,431,001</b>	<b>8,427,641</b>
<b>Non-financial assets</b>					
Other infrastructure, plant and equipment	-	250,000	243,750	237,500	231,250
Other	2,487	2,487	2,487	2,487	2,487
<b>Total non-financial assets</b>	<b>2,487</b>	<b>252,487</b>	<b>246,237</b>	<b>239,987</b>	<b>233,737</b>
<b>Total assets administered on behalf of Government</b>	<b>3,992,710</b>	<b>5,011,925</b>	<b>8,675,470</b>	<b>8,670,988</b>	<b>8,661,378</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	3,877	3,877	3,877	3,877	3,877
<b>Total interest bearing liabilities</b>	<b>3,877</b>	<b>3,877</b>	<b>3,877</b>	<b>3,877</b>	<b>3,877</b>
<b>Provisions</b>					
<b>Total provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payables</b>					
Subsidies	7,920	5,500	4,290	3,850	-
<b>Total payables</b>	<b>7,920</b>	<b>5,500</b>	<b>4,290</b>	<b>3,850</b>	<b>-</b>
<b>Total liabilities administered on behalf of Government</b>	<b>11,797</b>	<b>9,377</b>	<b>8,167</b>	<b>7,727</b>	<b>3,877</b>

**Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Interest	86,343	644	514	387	257
Dividends	427,800	151,500	152,600	140,600	140,600
Net GST received	19,272	44,330	15,765	13,975	5,763
Other	-	-	-	-	-
<b>Total cash received</b>	<b>533,415</b>	<b>196,474</b>	<b>168,879</b>	<b>154,962</b>	<b>146,620</b>
<b>Cash used</b>					
Grant payments	86,475	98,151	59,605	58,458	49,037
Subsidies paid	93,458	63,604	49,290	41,145	6,423
Suppliers	12,834	31,598	49,478	40,143	2,167
Net GST paid	19,272	44,330	15,765	13,975	5,763
Payments to CAC Act bodies	1,063,706	1,137,341	1,155,026	1,192,533	1,198,780
Other	6,341	6,335	6,335	6,335	6,335
<b>Total cash used</b>	<b>1,282,086</b>	<b>1,381,359</b>	<b>1,335,499</b>	<b>1,352,589</b>	<b>1,268,505</b>
<b>Net cash from or (used by) operating activities</b>	<b>(748,671)</b>	<b>(1,184,885)</b>	<b>(1,166,620)</b>	<b>(1,197,627)</b>	<b>(1,121,885)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	250,000	-	-	-
Other investing activities	30,000	750,000	3,670,000	-	-
Investments	86,185	-	-	-	-
<b>Total cash used</b>	<b>116,185</b>	<b>1,000,000</b>	<b>3,670,000</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(116,185)</b>	<b>(1,000,000)</b>	<b>(3,670,000)</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital injections	-	-	2,300,000	-	-
Loan repayments from CAC Act bodies	-	3,000	3,000	3,000	3,000
Other financing activities	-	-	59,000	237,000	363,000
<b>Total cash received</b>	<b>-</b>	<b>3,000</b>	<b>2,362,000</b>	<b>240,000</b>	<b>366,000</b>
<b>Cash used</b>					
Loans to CAC Act bodies	15,000	-	-	-	-
<b>Total cash used</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>(15,000)</b>	<b>3,000</b>	<b>2,362,000</b>	<b>240,000</b>	<b>366,000</b>

**Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June) (Continued)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>Net increase or (decrease) in cash held</b>	(879,856)	(2,181,885)	(2,474,620)	(957,627)	(755,885)
Cash at beginning of reporting period	24	-	-	-	-
Cash from Official Public Account for:					
- appropriations	213,950	199,688	164,708	146,081	63,962
- appropriations - CAC Act bodies	1,063,706	1,137,341	1,155,026	1,192,533	1,198,780
- special accounts	30,000	1,000,000	1,370,000	-	-
- section 30A drawdowns	19,272	44,330	15,765	13,975	5,763
Transfers from other entities (Finance - Whole of Government)					
Cash to Official Public Account for:					
- dividends	(427,800)	(151,500)	(152,600)	(140,600)	(140,600)
- section 30A repayments	(19,274)	(44,330)	(15,765)	(13,975)	(5,763)
- other	(22)	(3,644)	(62,514)	(240,387)	(366,257)
<b>Cash at end of reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of administered capital budget**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered assets	-	-	2,300,000	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	-	-	2,300,000	-	-
<b>Represented by:</b>					
Other	-	-	2,300,000	-	-
<b>Total represented by</b>	-	-	2,300,000	-	-
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded internally from Departmental resources <sup>1</sup>	-	250,000	-	-	-
<b>TOTAL</b>	-	<b>250,000</b>	-	-	-

Prepared on Australian Accounting Standards basis.

- 1 Reflects funding transferred from the Department of Finance and Deregulation's Building Australia Fund special account to the department's Building Australia Fund special account for the National Broadband Network – Regional Backbone Blackspots Program.

**Table 3.2.11: Schedule of Asset Movements - Administered**

	Other Infrastructure, Plant & Equipment \$'000	Total \$'000
<b>as at 1 July 2009</b>		
Opening net book balance	-	-
<b>CAPITAL ASSET ADDITIONS</b>		
<b>Estimated expenditure on new or replacement assets</b>		
by purchase or internally developed	250,000	250,000
<b>Acquisition of entities or operations (including restructuring)</b>		
<b>Sub-total</b>	<b>250,000</b>	<b>250,000</b>
<b>Other Movements</b>		
Depreciation/amortisation expense	-	-
<b>as at 30 June 2010</b>		
Gross book value	250,000	250,000
Accumulated depreciation/amortisation	-	-
<b>Closing net book balance</b>	<b>250,000</b>	<b>250,000</b>

Prepared on Australian Accounting Standards basis.

### **3.2.4 Notes to the financial statements**

#### **Departmental Financial Statements and Schedule of Administered Activity**

The Department's financial statements have been prepared in accordance with Australian Accounting Standards.

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

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

- Departmental price of outputs appropriations: representing the Government's funding for outputs from agencies;
- Departmental capital appropriations: for investments by the Government, either through additional equity or loans in agencies;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states and territories or local government; and
- Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

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

Each Commonwealth Department is required to show an Administered investment in each *Commonwealth Authority and Company (CAC) Act 1997* entity within their portfolio. These Administered investments should be 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**

Property, plant and equipment is valued at fair value. To ensure that assets carrying amounts do not materially differ from fair value, the Department re-values property, plant and equipment on an annual basis.

