

**PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS 2008-09**

HUMAN SERVICES PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2008-09

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## **MINISTER**

**PARLIAMENT HOUSE  
CANBERRA 2600**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2008-09 Additional Estimates for the **XXXX** Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

Minister

**Abbreviations and conventions**

(a) The following notations may be used:

NEC/nec	not elsewhere classified
AEST	Australian Eastern Standard Time
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

(b) Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

**ENQUIRIES**

Should you have any enquiries regarding this publication please contact Mr. Chris Dainer, Chief Financial Officer in the Department of Human Services on (02) 6223 4433.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

## USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to Government outcomes by agencies within the portfolio. However, unlike the Portfolio Budget Statements, the PAES summarise only the *changes* in resourcing by outcome since the Budget, that is, they update the resourcing for the agency. The PAES include for the first time an Agency Resource Statement, in addition to the information on new measures and the Appropriation Bills.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2008-09. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2008-09* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

### User guide

Provides an introduction explaining the purpose of the PAES.

### Portfolio overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.

### Agency additional estimates statements

A statement (under the name of the agency) for each agency affected by Additional Estimates.

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<b>Section 1: Agency overview and resources</b>	This section details the total resources available to an agency, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4.
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<b>Section 2: Revisions to outcomes and planned performance</b>	This section details changes to Government outcomes and/or changes to the planned performance of agency output groups.
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<b>Section 3: Explanatory tables and budgeted financial statements</b>	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
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<b>Glossary</b>	Explains key terms relevant to the Portfolio.
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# CONTENTS

<b>Human Services Portfolio Overview .....</b>	<b>3</b>
<b>Department of Human Services.....</b>	<b>9</b>
Centrelink.....	51
Medicare Australia.....	77
<b>Glossary .....</b>	<b>98</b>





# **PORTFOLIO OVERVIEW**



# HUMAN SERVICES PORTFOLIO OVERVIEW

## MINISTER(S) AND PORTFOLIO RESPONSIBILITIES

The Department of Human Services was created on 26 October 2004, as part of the Finance Portfolio, to improve the development and delivery of Government social and health related services to the Australian people.

As a result of the Administrative Arrangements Orders (AAOs) issued on 30 January 2007, the Department of Human Services and its agencies were transferred to a newly created Human Services Portfolio.

The Department of Human Services is the central policy and coordination department of the Portfolio. The Department works with other departments and agencies to develop policy on service delivery, as clarified by the AAOs issued on 25 January 2008, and to ensure the effective, innovative, and efficient implementation of Government service delivery policy. The Department works to ensure early consideration of service delivery issues in the policy development process to improve the quality and cost effectiveness of service delivery by agencies in the Human Services Portfolio.

## HUMAN SERVICES AGENCIES

### AGENCIES WITHIN HUMAN SERVICES PORTFOLIO

The Human Services Portfolio comprises the following General Government Sector entities and Non-Government Sector Entities:

#### *General Government Sector Entities*

- The **Department of Human Services** consists of the Core Department, the Child Support Program and CRS Australia. The Core Department is small and strategic. The role of the department is to direct, coordinate and broker improvements to service delivery and provide policy advice on service delivery matters to government. The Child Support Program ensures that children of separated parents receive financial support from both parents. CRS Australia assists people with an injury or a disability to get a job or return to work by providing individualised vocational rehabilitation, and helping employers to keep their workplaces safe.
- **Centrelink** delivers a range of government payments and services for retirees, families, carers, parents, people with disabilities, indigenous people, and people from diverse cultural and linguistic backgrounds and provides services at times of major change.

*Portfolio overview*

- **Medicare Australia** looks after the health of Australians through efficient services and payments such as Medicare, the Pharmaceutical Benefits Scheme, the Australian Childhood Immunisation Register and the Australian Organ Donor Register.

*Non-Government Sector Entities (Public Non-Financial Corporations)*

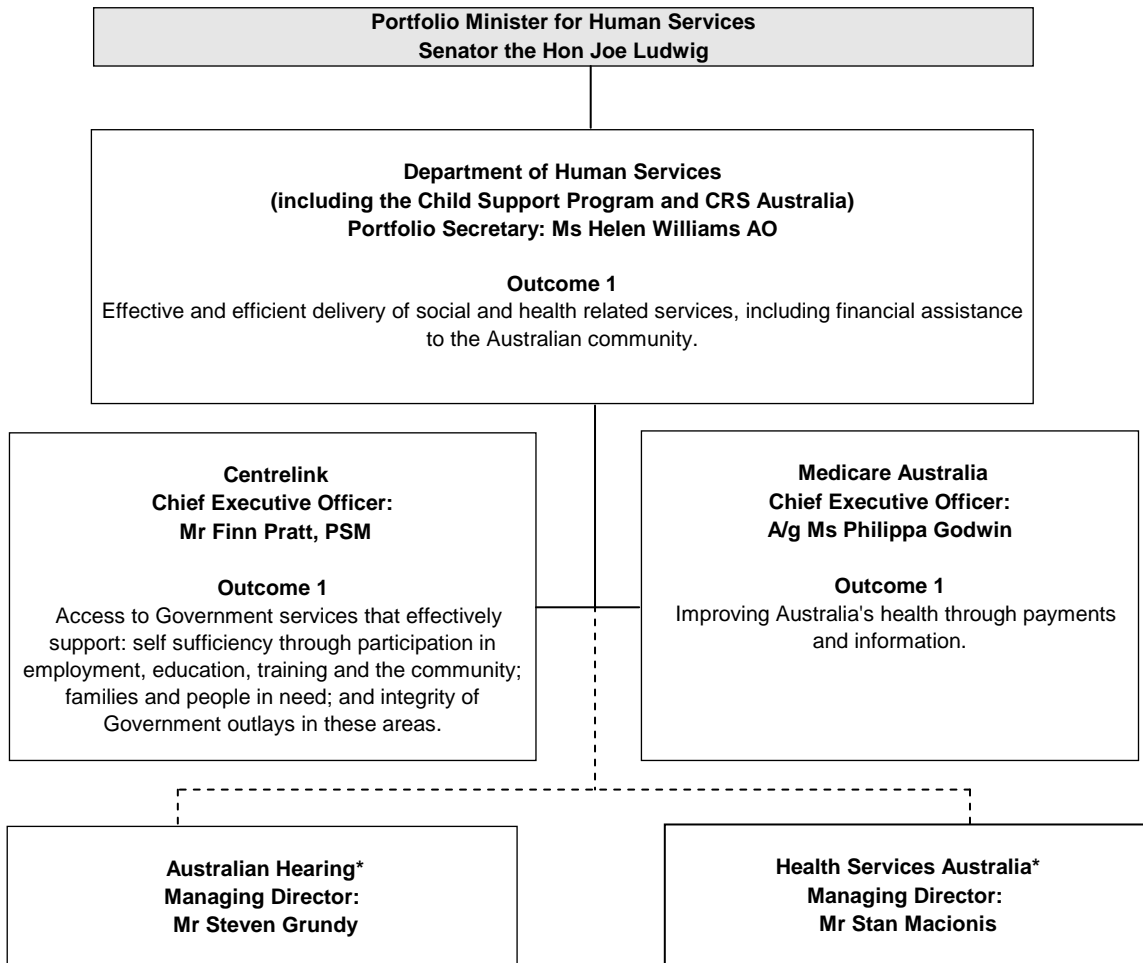
- **Australian Hearing** is one of the largest hearing service providers in the world and is dedicated to helping people manage their hearing impairment so they have a better quality of life. Australian Hearing provides a full range of hearing services for children and young people up to the age of 21, eligible adults and aged pensioners, and most war veterans.
- **Health Services Australia** is a government business enterprise established in 1997 focusing primarily on occupational health and safety and medical assessments.

As required under Section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates. These entities are not reported in the Portfolio Budget Statements.

More comprehensive information on activities undertaken within the Department of Human Services and its agencies is available on the following web site.

<http://www.humanservices.gov.au>

**Figure 1: Human Services portfolio structure and outcomes**



\* These agencies are non-general government sector entities and are not consolidated into the Commonwealth general government sector fiscal estimates. Therefore they are not reported in the Portfolio Budget Statements or Portfolio Additional Estimates Statements.



# AGENCY ADDITIONAL ESTIMATES STATEMENTS

Department of Human Services.....	9
Centrelink.....	51
Medicare Australia .....	77





# DEPARTMENT OF HUMAN SERVICES

<b>Section 1: Agency overview and resources</b> .....	<b>11</b>
1.1 Strategic direction .....	11
1.2 Agency resource statement .....	12
1.3 Agency measures table .....	14
1.4 Additional estimates and variations .....	15
1.5 Breakdown of additional estimates by appropriation bill.....	17
<b>Section 2: Revisions to agency outcomes and planned performance</b> .....	<b>19</b>
2.1 Outcomes and performance information .....	19
<b>Section 3: Explanatory tables and budgeted financial statements</b> .....	<b>21</b>
3.1 Explanatory tables .....	21
3.2 Budgeted financial statements.....	22
Budgeted financial statements – Core Department.....	33
Budgeted financial statements – Child Support Program.....	40
Budgeted financial statements – CRS Australia .....	47



## **DEPARTMENT OF HUMAN SERVICES**

### **Section 1: Agency overview and resources**

#### **1.1 STRATEGIC DIRECTION**

The Department of Human Services was created on 26 October 2004 to achieve improved governance, clearer accountability and better performance in government service delivery.

It is committed to achieving best value for money in service delivery while emphasising innovation and continuous improvement, and to working across service delivery agencies and government as a whole to achieve these objectives.

The Core Department works in partnership with the Child Support Program and CRS Australia (both of which are part of the Department) and with the other four agencies that form the Human Services Portfolio; Australian Hearing, Centrelink, Health Services Australia Group and Medicare Australia.

The Department of Human Services' key strategies are set out below:

- Consider community requirements when reviewing services offered by service delivery agencies, to promote simplicity and innovation.
- Work in partnership with human services agencies and external stakeholders to strengthen community confidence in service delivery.
- Partner with other government agencies to develop and influence policy and devise appropriate service delivery mechanisms.
- Work to ensure that Australians are able to access government services in an efficient, effective and contemporary way.
- Balance individuals' preference for service delivery with the risks to taxpayer funds caused by fraud and incorrect payment.
- Work with the service delivery agencies to deliver value for money in service provision, and sound and sustainable financial and governance arrangements.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for Department of Human Services at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: Department of Human Services resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008**

	Estimate as at Budget <sup>+</sup>	Proposed Additional Estimates <sup>=</sup>	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	655,041	22,368 <sup>1</sup>	677,409	528,164
s31 Relevant agency receipts <sup>3</sup>	211,621	5,889	217,510	208,023
<b>Total</b>	<b>866,662</b>	<b>28,257</b>	<b>894,919</b>	<b>736,187</b>
<b>Administered expenses</b>				
Job Capacity	130,052	39,000 <sup>1</sup>	169,052	147,118
Child Support Annual Appropriation	3,690	(12) <sup>1</sup>	3,678	3,531
<b>Total</b>	<b>133,742</b>	<b>38,988</b>	<b>172,730</b>	<b>150,649</b>
<b>Total ordinary annual services</b>	<b>A 1,000,404</b>	<b>67,245</b>	<b>1,067,649</b>	<b>886,836</b>
<b>Departmental non-operating</b>				
Equity injections	8,175	-	8,175	9,877
Previous years' outputs	-	5,329 <sup>2</sup>	5,329	5,429
<b>Total</b>	<b>8,175</b>	<b>5,329</b>	<b>13,504</b>	<b>15,306</b>
<b>Total other services</b>	<b>B 8,175</b>	<b>5,329</b>	<b>13,504</b>	<b>15,306</b>
<b>Total Available Annual Appropriations</b>	<b>1,008,579</b>	<b>72,574</b>	<b>1,081,153</b>	<b>902,142</b>
<b>Special Appropriations</b>				
<b>Special Appropriations limited by criteria/entitlement</b>				
Child Support (Registration and Collection) Act 1988				
Child Support s77 - Short falls in CSA Trust	79,014	(255)	78,759	75,619
Child Support s78 - Unexplained Remittances	50	-	50	50
<b>Total Special Appropriations</b>	<b>C 79,064</b>	<b>(255)</b>	<b>78,809</b>	<b>75,669</b>
<b>Total Appropriations excluding Special Accounts</b>	<b>1,087,643</b>	<b>72,319</b>	<b>1,159,962</b>	<b>977,811</b>

**Table 1.1: Department of Human Services resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008 (continued)**

	Estimate as at Budget <sup>+</sup>	Proposed Additional <sup>=</sup> Estimates	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Special Accounts</b>				
Opening balance <sup>4</sup>	45,531	(23,436)	22,095	22,095
Appropriation Receipts <sup>5</sup>	82,754	(267)	82,487	75,218
Non-Appropriation receipts to Special Accounts	977,514	(85,144)	892,370	979,565
<b>Total Special Account</b>	<b>D 1,105,799</b>	<b>(108,847)</b>	<b>996,952</b>	<b>1,076,878</b>
<b>Total resourcing</b>	<b>2,193,442</b>	<b>(36,528)</b>	<b>2,156,914</b>	<b>2,054,689</b>
A+B+C+D				
Less appropriations drawn from annual or special appropriations above and credited to special accounts	82,754	(267)	82,487	75,218
<b>Total net resourcing for Department of Human Services</b>	<b>2,110,688</b>	<b>(36,261)</b>	<b>2,074,427</b>	<b>1,979,471</b>

1. Appropriation Bill (No.3) 2008-09.
2. Appropriation Bill (No.4) 2008-09.
3. Total s31 Relevant Agency receipts — estimate.
4. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.1.
5. Appropriation receipts from the Department of Human Services annual and special appropriations for 2008-09 included above.

Reader Note: All figures are GST inclusive.

### Third Party Drawdowns from and on behalf of other agencies

	Estimate at Budget	Estimate at Additional Estimates
	2008-09 \$'000	2008-09 \$'000
Revenue received from other agencies for the provision of services (disclosed above within Departmental s31)		
- Department of Education, Employment and Workplace Relations	182,881	182,881
Payments made to other agencies for the provision of services		
- Centrelink	68,292	82,484

<b>Prior year Annual Appropriations Carried Forward and Special Account Opening Balances finalised in Agency Annual Report</b>			
	Estimate \$'000	Actual \$'000	Total Adjustment \$'000
Departmental outputs - ordinary annual services	158,381	180,951	22,570
Departmental - non- operating - equity injections	3,797	6,340	2,543
Special account opening balances	45,531	22,095	(23,436)

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2008-09 Budget. The table is split into revenue, expense and capital measures, with the affected output group identified.

**Table 1.2: Agency Measures since Budget**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measures</b>					
Job Capacity Assessments - additional funding	1.1	39,000	-	-	-
Job Capacity Assessments - increased fees	1.1	-	2,887	2,864	2,841
Job Capacity Assessments - improved administration savings	1.1	-	(3,876)	(9,397)	(9,397)
A New Model for Delivery of Disability Employment Services	1.1	-	138	294	294
<b>Administered Expenses</b>		<b>39,000</b>	<b>(851)</b>	<b>(6,239)</b>	<b>(6,262)</b>
Income Management Extension - Cape York	1.1	154	233	201	60
Payment Delivery - Enhanced Arrangements	1.1	7,030	844	-	-
Strategic Fraud and Compliance	1.1	310	667	674	681
Implementation of Operation Sunlight	1.1	183	-	-	-
Commonwealth Spatial Data Integration	1.1	658	1,510	-	-
Job Capacity Assessments - improved administration	1.1	235	1,049	442	372
A New Model for Delivery of Disability Employment Services	1.1	-	554	115	116
Child Support - Amendment of the <i>Family Law Act 1975</i>	1.2	1,077	275	-	-
Income Reconciliation Program	1.2	8,044	-	-	-
<b>Departmental outputs</b>		<b>17,691</b>	<b>5,132</b>	<b>1,432</b>	<b>1,229</b>
<b>Total</b>		<b>56,691</b>	<b>4,281</b>	<b>(4,807)</b>	<b>(5,033)</b>
<b>Total expense measures</b>	Administered	39,000	(851)	(6,239)	(6,262)
	Departmental	17,691	5,132	1,432	1,229
	<b>Total</b>	<b>56,691</b>	<b>4,281</b>	<b>(4,807)</b>	<b>(5,033)</b>

Prepared on a Government Financial Statistics (fiscal) basis

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Department of Human Services at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Job Capacity Assessments - additional funding	1.1	39,000	-	-	-
Job Capacity Assessments - increased fees	1.1	-	2,887	2,864	2,841
Job Capacity Assessments - improved administration savings	1.1	-	(3,876)	(9,397)	(9,397)
A New Model for Delivery of Disability Employment Services	1.1	-	138	294	294
<b>Net impact on estimates for Outcome 1 (administered)</b>		<b>39,000</b>	<b>(851)</b>	<b>(6,239)</b>	<b>(6,262)</b>
<b>Increase in estimates (departmental)</b>					
Income Management Extension - Cape York	1.1	154	233	201	60
Strategic Fraud and Compliance	1.1	310	667	674	681
Payment Delivery - Enhanced Arrangements	1.1	7,030	844	-	-
Implementation of Operation Sunlight	1.1	183	-	-	-
Commonwealth Spatial Data Integration	1.1	658	1,510	-	-
Job Capacity Assessments - improved administration	1.1	235	1,079	529	458
A New Model for Delivery of Disability Employment Services	1.1	-	554	115	116
Child Support - Amendment of the <i>Family Law Act 1975</i>	1.2	1,077	275	-	-
Income Reconciliation Program	1.2	8,044	-	-	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>17,691</b>	<b>5,162</b>	<b>1,519</b>	<b>1,315</b>

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Outcome 1</b>					
<b>Decrease in estimates (administered)</b>					
Child Support - annual appropriation	1.2	(12)	(12)	(13)	(13)
Child Support - special appropriations	1.2	(255)	(267)	(278)	(284)
<b>Net impact on estimates for Outcome 1 (administered)</b>					
		<b>(267)</b>	<b>(279)</b>	<b>(291)</b>	<b>(297)</b>
<b>Increase in estimates (departmental)</b>					
Parameter adjustments - Core	1.1	-	87	109	125
Parameter adjustments - Child Support	1.2	-	2,260	2,722	3,187
Child Support Funding Agreement - Caseload adjustments	1.2	4,677	5,824	6,189	5,734
<b>Net impact on estimates for Outcome 1 (departmental)</b>					
		<b>4,677</b>	<b>8,171</b>	<b>9,020</b>	<b>9,046</b>



## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for Department of Human Services through Appropriation Bills No.3 and No.4.

**Table 1.5: Appropriation Bill (No. 3) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
Effective and efficient delivery of social and health related services, including financial assistance to the Australian community	150,649	133,742	172,730	38,988	-
<b>Total</b>	<b>150,649</b>	<b>133,742</b>	<b>172,730</b>	<b>38,988</b>	<b>-</b>
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Effective and efficient delivery of social and health related services, including financial assistance to the Australian community	528,164	474,090	496,458	22,368	-
<b>Total</b>	<b>528,164</b>	<b>474,090</b>	<b>496,458</b>	<b>22,368</b>	<b>-</b>
<b>Total administered and departmental</b>	<b>678,813</b>	<b>607,832</b>	<b>669,188</b>	<b>61,356</b>	<b>-</b>

**Note 1:** 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + AFM - Savings*

*- Rephasings - Other Reductions +/- Section 32*

**Note 2:** No appropriation is provided in Appropriation Bill 3 for the agency where the total funding change across outcomes for departmental outputs is negative (where the amount shown in the Reduced Estimates' column is greater than the amount in the 'Additional Estimates' column insert a note as 'Explanatory text').

**Table 1.6: Appropriation Bill (No. 4) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
<b>Non-operating</b>					
Equity injections					
Child Support	9,877	1,835	1,835	-	-
Previous years' outputs					
Child Support	5,429	-	5,329	5,329	-
<b>Total non-operating</b>					
Department of Human Services					
<b>Total</b>	<b>15,306</b>	<b>1,835</b>	<b>7,164</b>	<b>5,329</b>	<b>-</b>

**Note 1:** 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + AFM - Savings*

*- Rephasings - Other Reductions +/- Section 32*

## Section 2: Revisions to agency outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

No changes have been made to Department of Human Services' outcome structure and output group for 2008-09. Complete details of Department of Human Service's Outcomes and Performance information can be found in the 2008-09 Portfolio Budget Statements. Apart from slight changes to the performance targets of the Child Support Program which are provided in Table 2.1, there is no performance targets change made to the Core Department and CRS Australia.

#### OUTCOME 1

**Table 2.1: Performance information for outputs groups affected by additional estimates — outcome 1**

##### Output 2: Child Support Program

The Child Support Program (CSP) supports separated parents to resolve their child support issues by providing assessment, registration, collection and disbursement services taking into account their individual circumstances. CSP also offers assistance to parents to connect to support services when they need assistance with broader issues affecting their lives and their children. The Child Support Scheme is designed to ensure that both parents contribute to the cost of their children, according to their capacity. The scheme is expected to transfer almost \$2.8 billion between parents for the benefit of just over 1.1 million children in 2008-09.

<b>Output 2: Child Support Program</b>
Delivery of child support assessment, registration, collection and disbursement services.
Annual Appropriation \$454.073 million
Revenues from other sources (s.31) for - Child Support Program Special Accounts \$1.940 million.

Agency Additional Estimates Statements – DHS

Key Performance Indicators	2008-09 Target
<b>Quality</b> Increased customer satisfaction with CSP's service	(Greater than 5.75) (This is a 7-point scale)
Cost Cost per case  Cost per dollar transferred	(estimate: \$545)  (estimate: 16 cents)
<b>Effectiveness (Adequacy)</b> Total amount transferred between parents	(estimate: \$ 2.8 billion)
<b>Effectiveness (independence)</b> Child support CSP collect collection rate. Percentage of Private collect cases to total active cases (CSP and Private collect cases)	(estimate: 91.5 per cent) (estimate 52.0 percent)
<b>Price</b> The price of CSP's outputs in 2008-09	\$456.013 million

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by Department of Human Services. The corresponding table in the 2008-09 PB Statements is Table 3.1.3.

**Table 3.1.1: Estimates of special account flows**

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Child Support Trust - <i>Child Support Act 1988 (A)</i>		<b>22,095</b>	<b>974,857</b>	<b>972,761</b>	<b>2,096</b>	<b>24,191</b>
	1	40,282	1,054,783	1,072,970	(18,187)	22,095
Other Trust Monies (D)	1	-	-	-	-	-
		46	-	46	(46)	-
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		<b>22,095</b>	<b>974,857</b>	<b>972,761</b>	<b>2,096</b>	<b>24,191</b>
Total special accounts						
2007-08 actual		40,328	1,054,783	1,073,016	(18,233)	22,095

(A) = Administered

(D) = Departmental

#### 3.1.2 Estimates of variations to Average Staffing Level

Changes in Average Staff Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in agency PB Statements in each Outcome Resourcing Table.

**Table 3.1.2: Average Staffing Level (ASL)**

	2008-09 Budget	2008-09 Revised	Variation
<b>Outcome 1</b>			
Core Department	145	160	15
Child Support Program	3,520	3,675	155
CRS Australia	1,748	1,748	-
<b>Total</b>	<b>5,413</b>	<b>5,583</b>	<b>170</b>

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements – Departmental**

#### **Budgeted departmental income statement (see Table 3.2.1)**

The Department is budgeting for an operating surplus of \$1.9 million in 2008-09, consistent with the operating result as budgeted for at the 2008-09 Budget.

The key revenue movements from the 2008-09 Budget are increases in appropriation revenue of \$22.4 million, including additional funding of \$17.7 million for the Department for new measures that were agreed since the Budget and an additional \$4.7 million funding for the Child Support Program for caseload adjustments.

#### **Budgeted departmental balance sheet (see Table 3.2.2)**

The Department's estimated net asset position as at 30 June 2008 has increased by \$16.4 million at Budget to \$145.4 million. Overall, variations across the balance sheet categories are mainly due to the flow on effect of actual results for 2007-08 impacting the budgeted balance sheet.

Financial assets have increased by \$22.5 million to \$206.1 million from the 2008-09 Budget. The main increases were in receivables (\$26.3m).

Lease incentives liabilities have increased by \$5.6 million since the Budget, reflecting mainly increases in new leases incentives for Child Support Program.

### **3.2.1 Analysis of budgeted financial statements – Administered**

#### **Schedule of budgeted income and expenses administered on behalf of government (see Table 3.2.5)**

Revenues administered on behalf of the government have increased by \$19.8 million to \$1,199.7 million since the 2008-09 Budget. The increase is predominantly due to the revision in Child Support Program revenue based on forecasted caseload.

Expenses have increased by a total of \$58.0 million since the Budget. This increase is predominantly due to estimated increase in Job Capacity Assessments expenses, and changes in Child Support Program activity.

#### **Schedule of budgeted assets and liabilities administered on behalf of government (see Table 3.2.6)**

The significant movements on the assets and liabilities administered on behalf of government are mostly due to the revision of CSP's budget estimates due to revisions to forecasted caseload and flow on effect from 2007-08 actual results.

## **BUDGETED FINANCIAL STATEMENTS - CONSOLIDATED**

### **Departmental financial statements**

#### **Budgeted departmental income statement (see Table 3.2.1)**

The statement represents the expected financial results for the Department of Human Services by identifying total revenue and expenses.

#### **Budgeted departmental balance sheet (see Table 3.2.2)**

The statement represents the financial position of the Department of Human Services.

#### **Budgeted departmental statement of cash flows (see Table 3.2.3)**

The statement represents the nature and extent of expected cash flows for the Department of Human Services resulting from operating, investing and financing activities.

#### **Departmental statement of changes in equity — summary of movement (see Table 3.2.4)**

The statement represents movements in accumulated results, capital contributions and reserves during the budget year for the Department of Human Services.

### **Schedule of administered activity**

#### **Schedule of budgeted income and expenses administered on behalf of government (see Table 3.2.5)**

The statement represents the expected financial results for the Department of Human Services by identifying total administered revenue and expenses.

#### **Schedule of budgeted assets and liabilities administered on behalf of government (see Table 3.2.6)**

The statement represents the financial position of assets and liabilities administered by the Department of Human Services on behalf of the Government.

#### **Schedule of budgeted administered cash flows (see Table 3.2.7)**

The statement represents the nature and extent of expected cash flows for the Department of Human Services resulting from administered operating, investing and financing activities.

### 3.2.2 Budgeted financial statements

#### Departmental financial statements

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	528,425	496,458	442,285	449,884	456,750
Goods and services	184,331	211,421	203,686	199,284	198,150
Revenue from sale of assets	58	-	-	-	-
Other	1,733	500	500	500	500
<b>Total revenue</b>	<b>714,547</b>	<b>708,379</b>	<b>646,471</b>	<b>649,668</b>	<b>655,400</b>
<b>Total income</b>	<b>714,547</b>	<b>708,379</b>	<b>646,471</b>	<b>649,668</b>	<b>655,400</b>
<b>EXPENSE</b>					
Employees	430,334	420,084	379,700	384,654	385,433
Suppliers	242,691	255,955	233,377	235,103	240,922
Depreciation and amortisation	23,991	28,715	30,351	26,273	25,392
Finance costs	(21)	237	382	330	346
Write-down of assets and impairment of assets	7,275	58	58	58	58
Losses from sale of assets	19	-	-	-	-
<b>Total expenses</b>	<b>704,289</b>	<b>705,049</b>	<b>643,868</b>	<b>646,418</b>	<b>652,151</b>
<b>Surplus (Deficit) before income tax</b>	<b>10,258</b>	<b>3,330</b>	<b>2,603</b>	<b>3,250</b>	<b>3,249</b>
<b>Income tax expense</b>	<b>230</b>	<b>1,389</b>	<b>1,389</b>	<b>1,389</b>	<b>1,389</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>10,028</b>	<b>1,941</b>	<b>1,214</b>	<b>1,861</b>	<b>1,860</b>

Prepared on Australian Accounting Standards basis



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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	12,172	12,219	8,679	8,620	10,227
Trade and other Receivables	198,595	191,987	207,508	214,446	209,300
Accrued revenues	1,831	1,931	1,931	2,431	2,431
<b>Total financial assets</b>	<b>212,598</b>	<b>206,137</b>	<b>218,118</b>	<b>225,497</b>	<b>221,958</b>
<b>Non-financial assets</b>					
Land and buildings	46,176	61,700	52,574	50,101	56,938
Infrastructure, plant and equipment	6,076	5,168	4,932	4,034	3,834
Intangibles	27,681	33,353	28,588	23,809	21,877
Other	4,324	4,583	4,583	4,583	4,583
<b>Total non-financial assets</b>	<b>84,257</b>	<b>104,804</b>	<b>90,677</b>	<b>82,527</b>	<b>87,232</b>
<b>Total assets</b>	<b>296,855</b>	<b>310,941</b>	<b>308,795</b>	<b>308,024</b>	<b>309,190</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	100,732	97,908	99,200	99,488	99,875
Other	10,300	13,308	12,349	12,785	13,242
<b>Total provisions</b>	<b>111,032</b>	<b>111,216</b>	<b>111,549</b>	<b>112,273</b>	<b>113,117</b>
<b>Payables</b>					
Suppliers	30,176	31,398	30,456	29,553	30,039
Tax liabilities	359	359	359	359	359
Other	5,992	6,127	5,927	5,927	5,927
Lease Incentives	12,697	16,397	13,847	11,394	9,372
<b>Total payables</b>	<b>49,224</b>	<b>54,281</b>	<b>50,589</b>	<b>47,233</b>	<b>45,697</b>
<b>Total liabilities</b>	<b>160,256</b>	<b>165,497</b>	<b>162,138</b>	<b>159,506</b>	<b>158,814</b>
<b>Net assets</b>	<b>136,599</b>	<b>145,444</b>	<b>146,657</b>	<b>148,518</b>	<b>150,376</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	90,539	97,443	97,443	97,443	97,443
Reserves	2,582	2,582	2,582	2,582	2,582
Retained surpluses or accumulated deficits	43,478	45,419	46,632	48,493	50,351
<b>Total equity</b>	<b>136,599</b>	<b>145,444</b>	<b>146,657</b>	<b>148,518</b>	<b>150,376</b>
<b>Current assets</b>	<b>216,870</b>	<b>210,720</b>	<b>222,701</b>	<b>230,080</b>	<b>226,541</b>
<b>Non-current assets</b>	<b>79,985</b>	<b>100,221</b>	<b>86,094</b>	<b>77,944</b>	<b>82,649</b>
<b>Current liabilities</b>	<b>119,981</b>	<b>119,797</b>	<b>117,442</b>	<b>115,363</b>	<b>114,883</b>
<b>Non-current liabilities</b>	<b>40,275</b>	<b>45,700</b>	<b>44,696</b>	<b>44,143</b>	<b>43,931</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	204,988	209,181	201,746	196,844	196,211
Appropriations	490,624	498,886	427,082	443,315	462,458
Net GST received	11,950	48,780	44,135	44,285	45,836
Other cash received	3,035	8,329	2,440	2,440	2,440
<b>Total cash received</b>	<b>710,597</b>	<b>765,176</b>	<b>675,402</b>	<b>686,884</b>	<b>706,945</b>
<b>Cash used</b>					
Employees	414,553	423,073	380,560	384,581	385,422
Suppliers	273,006	257,513	237,508	240,197	244,313
Competitive neutrality payments	1,849	1,189	1,189	1,189	1,189
Cash to the Official Public Account	-	-	-	-	-
Net GST paid	-	48,780	44,135	44,284	45,834
Other	-	111	116	86	-
<b>Total cash used</b>	<b>689,408</b>	<b>730,666</b>	<b>663,508</b>	<b>670,337</b>	<b>676,758</b>
<b>Net cash from or (used by) operating activities</b>	<b>21,189</b>	<b>34,510</b>	<b>11,894</b>	<b>16,547</b>	<b>30,187</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
<b>Total cash received</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	30,749	29,406	7,060	11,954	20,479
Purchase of intangibles	15,323	15,757	7,650	4,650	8,100
Cash transferred to the Official Public Account	11,700	-	-	-	-
Other	-	-	724	-	-
<b>Total cash used</b>	<b>57,772</b>	<b>45,163</b>	<b>15,434</b>	<b>16,604</b>	<b>28,579</b>
<b>Net cash from or (used by) investing activities</b>	<b>(57,711)</b>	<b>(45,163)</b>	<b>(15,434)</b>	<b>(16,604)</b>	<b>(28,579)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	35,343	10,701	-	-	-
<b>Total cash received</b>	<b>35,343</b>	<b>10,701</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>35,343</b>	<b>10,701</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
	<b>(1,179)</b>	<b>48</b>	<b>(3,540)</b>	<b>(57)</b>	<b>1,608</b>
Cash at the beginning of the reporting period	13,351	12,172	12,219	8,677	8,620
<b>Cash at the end of the reporting period</b>	<b>12,172</b>	<b>12,219</b>	<b>8,679</b>	<b>8,620</b>	<b>10,227</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	43,478	-	2,582	90,279	136,339
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>43,478</b>	<b>-</b>	<b>2,582</b>	<b>90,279</b>	<b>136,339</b>
Surplus (deficit) for the period	1,941	-	-	-	1,941
<b>Total income and expenses recognised directly in equity</b>	<b>1,941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,941</b>
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,835	1,835
Other: Previous Year's Outputs -Child Support funding agreement	-	-	-	5,329	5,329
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,164</b>	<b>7,164</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>45,419</b>	<b>-</b>	<b>2,582</b>	<b>97,443</b>	<b>145,444</b>

Prepared on Australian Accounting Standards basis

**Schedule of administered activity**

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	70,875	77,426	80,866	84,425	86,417
<b>Total taxation</b>	<b>70,875</b>	<b>77,426</b>	<b>80,866</b>	<b>84,425</b>	<b>86,417</b>
<b>Non-taxation</b>					
Dividends	15,176	11,425	14,440	18,031	18,031
Competitive neutrality revenue	10,035	4,765	5,381	6,441	6,441
Other sources of non-taxation revenues	1,059,007	1,106,085	1,155,228	1,206,070	1,234,523
<b>Total non-taxation</b>	<b>1,084,218</b>	<b>1,122,275</b>	<b>1,175,049</b>	<b>1,230,542</b>	<b>1,258,995</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,155,093</b>	<b>1,199,701</b>	<b>1,255,915</b>	<b>1,314,967</b>	<b>1,345,412</b>
<b>Total income administered on behalf of Government</b>	<b>1,155,093</b>	<b>1,199,701</b>	<b>1,255,915</b>	<b>1,314,967</b>	<b>1,345,412</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Personal benefits	(5)	-	-	-	-
Suppliers	147,463	169,052	129,202	123,837	123,837
Write down and impairment of assets	96,595	96,476	101,861	106,344	108,853
Child support Payments	1,031,559	1,079,402	1,127,341	1,176,955	1,204,722
<b>Total expenses administered on behalf of Government</b>	<b>1,275,612</b>	<b>1,344,930</b>	<b>1,358,404</b>	<b>1,407,136</b>	<b>1,437,412</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3	20	20	20	20
Receivables	535,211	565,335	596,945	630,733	664,398
Investments	64,725	64,725	64,725	64,725	64,725
<b>Total financial assets</b>	<b>599,939</b>	<b>630,080</b>	<b>661,690</b>	<b>695,478</b>	<b>729,143</b>
<b>Total assets administered on behalf of Government</b>	<b>599,939</b>	<b>630,080</b>	<b>661,690</b>	<b>695,478</b>	<b>729,143</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	38,822	59,291	66,967	74,980	83,183
Accrued child support payments	512,582	541,203	571,077	602,266	634,190
Other payables	27,069	11,726	11,726	11,726	11,726
<b>Total payables</b>	<b>578,473</b>	<b>612,220</b>	<b>649,770</b>	<b>688,972</b>	<b>729,099</b>
<b>Total liabilities administered on behalf of Government</b>	<b>578,473</b>	<b>612,220</b>	<b>649,770</b>	<b>688,972</b>	<b>729,099</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	5,485	6,194	6,469	6,754	6,913
Cash from the Official Public Account	1,159,183	1,219,834	1,226,668	1,269,603	1,296,634
Dividends	15,773	11,525	13,140	16,231	16,231
Competitive neutrality revenue	10,305	3,514	5,424	6,087	6,087
Net GST received	14,396	16,905	12,906	12,353	12,354
Other	1,017,987	1,058,063	1,102,729	1,151,260	1,178,420
<b>Total cash received</b>	<b>2,223,129</b>	<b>2,316,035</b>	<b>2,367,336</b>	<b>2,462,288</b>	<b>2,516,639</b>
<b>Cash used</b>					
Personal benefits	34	-	-	-	-
Suppliers	146,330	169,052	129,202	123,837	123,837
Net GST paid	14,595	16,905	12,906	12,353	12,354
Cash to the Official Public Account	1,063,987	1,078,209	1,128,968	1,181,592	1,208,941
Other	998,224	1,051,852	1,096,260	1,144,506	1,171,507
<b>Total cash used</b>	<b>2,223,170</b>	<b>2,316,018</b>	<b>2,367,336</b>	<b>2,462,288</b>	<b>2,516,639</b>
<b>Net cash from or (used by) operating activities</b>	<b>(41)</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
Cash at beginning of reporting period	44	3	20	20	20
<b>Cash at end of reporting period</b>	<b>3</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>

Prepared on Australian Accounting Standards basis

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Basis of accounting**

The budgeted financial statements have been prepared on an accruals basis, having regard to Statements of Accounting Concepts, and in accordance with:

- Australian Equivalents to International Financial Reporting Standards (AEIFRS);
- the Finance Minister's Orders;
- authoritative pronouncements of the Australian Accounting Standards Boards; and
- the Consensus Views of the Urgent Issues Group.

The statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets which are at valuation.

Assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.

Revenues and expenses are recognised in the Income Statement when and only when the flow or consumption or loss of economic benefits can be reliably measured.

The continued existence of the Department of Human Services in its present form and functions is dependent on government policy and ongoing business.

### **Departmental and Administered items**

The department's assets, liabilities, revenues and expenses are those items controlled by the department that are used in producing outputs, and include:

- computers, plant and equipment used in providing goods and services;
- liabilities for employee entitlements;
- revenue from appropriations or independent sources in payment for outputs; and
- employee, supplier and depreciation expenses incurred in providing departmental outputs.

Administered items are those items controlled by the government and managed, or oversighted, by the department on behalf of the government.





## BUDGETED FINANCIAL STATEMENTS – CORE DEPARTMENT

**Table 3.2.8: Budgeted departmental income statement (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	62,250	42,385	22,713	20,212	19,838
Goods and services	1,500	-	-	-	-
Revenue from sale of assets					
Other	417	-	-	-	-
<b>Total revenue</b>	<b>64,167</b>	<b>42,385</b>	<b>22,713</b>	<b>20,212</b>	<b>19,838</b>
<b>Total income</b>	<b>64,167</b>	<b>42,385</b>	<b>22,713</b>	<b>20,212</b>	<b>19,838</b>
<b>EXPENSE</b>					
Employees	27,066	21,245	14,682	13,838	13,649
Suppliers	23,957	20,620	7,586	6,054	5,938
Depreciation and amortisation	1,072	520	445	320	251
Finance costs	-	-	-	-	-
Write-down of assets and impairment of assets	197	-	-	-	-
Losses from sale of assets	1	-	-	-	-
<b>Total expenses</b>	<b>52,293</b>	<b>42,385</b>	<b>22,713</b>	<b>20,212</b>	<b>19,838</b>
<b>Surplus (Deficit) before income tax</b>	<b>11,874</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>11,874</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.9: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	1,042	1,101	1,430	658	658
Trade and other Receivables	28,908	29,949	30,983	31,922	32,203
Accrued revenues	-	-	-	-	-
<b>Total financial assets</b>	<b>29,950</b>	<b>31,050</b>	<b>32,413</b>	<b>32,580</b>	<b>32,861</b>
<b>Non-financial assets</b>					
Land and buildings	1,270	879	601	380	130
Infrastructure, plant and equipment	1,714	1,586	1,633	1,534	1,534
Intangibles	259	257	256	256	257
Other	111	112	112	112	112
<b>Total non-financial assets</b>	<b>3,354</b>	<b>2,834</b>	<b>2,602</b>	<b>2,282</b>	<b>2,033</b>
<b>Total assets</b>	<b>33,304</b>	<b>33,884</b>	<b>35,015</b>	<b>34,862</b>	<b>34,894</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	7,942	8,518	9,023	9,877	9,907
Other	246	246	246	246	246
<b>Total provisions</b>	<b>8,188</b>	<b>8,764</b>	<b>9,269</b>	<b>10,123</b>	<b>10,153</b>
<b>Payables</b>					
Suppliers	3,156	3,420	4,046	3,039	3,043
Tax liabilities	-	-	-	-	-
Other	48	48	48	48	48
Lease Incentives	-	-	-	-	-
<b>Total payables</b>	<b>3,204</b>	<b>3,468</b>	<b>4,094</b>	<b>3,087</b>	<b>3,091</b>
<b>Total liabilities</b>	<b>11,392</b>	<b>12,232</b>	<b>13,363</b>	<b>13,210</b>	<b>13,244</b>
<b>Net assets</b>	<b>21,912</b>	<b>21,652</b>	<b>21,652</b>	<b>21,652</b>	<b>21,650</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	3,487	3,227	3,227	3,227	3,227
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	18,425	18,425	18,425	18,425	18,423
<b>Total equity</b>	<b>21,912</b>	<b>21,652</b>	<b>21,652</b>	<b>21,652</b>	<b>21,650</b>
<b>Current assets</b>	<b>30,061</b>	<b>31,162</b>	<b>32,525</b>	<b>32,692</b>	<b>32,973</b>
<b>Non-current assets</b>	<b>3,243</b>	<b>2,722</b>	<b>2,490</b>	<b>2,170</b>	<b>1,921</b>
<b>Current liabilities</b>	<b>10,502</b>	<b>10,528</b>	<b>11,558</b>	<b>11,235</b>	<b>11,263</b>
<b>Non-current liabilities</b>	<b>890</b>	<b>1,704</b>	<b>1,805</b>	<b>1,975</b>	<b>1,981</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis

**Table 3.2.10: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,775	-	-	-	-
Appropriations	55,150	41,350	21,690	19,285	19,735
Net GST received	4,298	1,306	750	591	414
Other cash received	-	-	-	-	-
<b>Total cash received</b>	<b>61,223</b>	<b>42,656</b>	<b>22,440</b>	<b>19,876</b>	<b>20,149</b>
<b>Cash used</b>					
Employees	26,280	20,634	14,188	13,000	13,796
Suppliers	33,654	20,396	6,958	7,057	5,938
Competitive neutrality payments	-	-	-	-	-
Cash to the Official Public Account	-	-	-	-	-
Net GST paid	-	1,306	750	591	414
Other	-	-	-	-	-
<b>Total cash used</b>	<b>59,934</b>	<b>42,336</b>	<b>21,896</b>	<b>20,648</b>	<b>20,148</b>
<b>Net cash from or (used by) operating activities</b>	<b>1,289</b>	<b>320</b>	<b>544</b>	<b>(772)</b>	<b>1</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1	-	-	-	-
<b>Total cash received</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	2,672	-	215	-	-
Purchase of intangibles	217	-	-	-	-
Cash transferred to the Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>2,889</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(2,888)</b>	<b>-</b>	<b>(215)</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	2,450	(260)	-	-	-
<b>Total cash received</b>	<b>2,450</b>	<b>(260)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>2,450</b>	<b>(260)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>851</b>	<b>60</b>	<b>329</b>	<b>(772)</b>	<b>1</b>
Cash at the beginning of the reporting period	191	1,042	1,101	1,430	658
<b>Cash at the end of the reporting period</b>	<b>1,042</b>	<b>1,101</b>	<b>1,430</b>	<b>658</b>	<b>658</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.11: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	18,425	-	-	3,227	21,652
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>18,425</b>	<b>-</b>	<b>-</b>	<b>3,227</b>	<b>21,652</b>
Surplus (deficit) for the period	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Other: Previous Year's Outputs -Child Support funding agreement	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>18,425</b>	<b>-</b>	<b>-</b>	<b>3,227</b>	<b>21,652</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.12: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Dividends	15,176	11,425	14,440	18,031	18,031
Competitive neutrality revenue	10,035	4,765	5,381	6,441	6,441
Other sources of non-taxation revenues	-	-	-	-	-
<b>Total non-taxation</b>	<b>25,211</b>	<b>16,190</b>	<b>19,821</b>	<b>24,472</b>	<b>24,472</b>
<b>Total revenues administered on behalf of Government</b>	<b>25,211</b>	<b>16,190</b>	<b>19,821</b>	<b>24,472</b>	<b>24,472</b>
<b>Total income administered on behalf of Government</b>	<b>25,211</b>	<b>16,190</b>	<b>19,821</b>	<b>24,472</b>	<b>24,472</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Personal benefits	-	-	-	-	-
Suppliers	147,463	169,052	129,202	123,837	123,837
Write down and impairment of assets	-	-	-	-	-
Child support Payments	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>147,463</b>	<b>169,052</b>	<b>129,202</b>	<b>123,837</b>	<b>123,837</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.13: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	-	-
Receivables	10,756	11,907	12,013	12,910	12,910
Investments	64,725	64,725	64,725	64,725	64,725
<b>Total financial assets</b>	<b>75,481</b>	<b>76,632</b>	<b>76,738</b>	<b>77,635</b>	<b>77,635</b>
<b>Total assets administered on behalf of Government</b>	<b>75,481</b>	<b>76,632</b>	<b>76,738</b>	<b>77,635</b>	<b>77,635</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	13,820	13,820	13,820	13,820	13,820
Accrued child support payments	-	-	-	-	-
Other payables	-	-	-	-	-
<b>Total payables</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>
<b>Total liabilities administered on behalf of Government</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>	<b>13,820</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.14: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual	Revised	Forward	Forward	Forward
	2007-08	budget	estimate	estimate	estimate
	\$'000	2008-09	2009-10	2010-11	2011-12
		\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes fees, and fines	-	-	-	-	-
Cash from the Official Public Account	160,924	169,052	129,202	123,837	123,837
Dividends	15,773	11,525	13,140	16,231	16,231
Competitive neutrality revenue	10,305	3,514	5,424	6,087	6,087
Net GST received	14,396	16,905	12,906	12,353	12,354
Other	-	-	-	-	-
<b>Total cash received</b>	<b>201,398</b>	<b>200,996</b>	<b>160,672</b>	<b>158,508</b>	<b>158,509</b>
<b>Cash used</b>					
Personal benefits	-	-	-	-	-
Suppliers	146,330	169,052	129,202	123,837	123,837
Net GST paid	14,595	16,905	12,906	12,353	12,354
Cash to the Official Public Account	40,473	15,039	18,564	22,318	22,318
Other	-	-	-	-	-
<b>Total cash used</b>	<b>201,398</b>	<b>200,996</b>	<b>160,672</b>	<b>158,508</b>	<b>158,509</b>
<b>Net cash from or (used by)</b>					
<b>operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in</b>					
<b>cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at beginning of reporting period	-	-	-	-	-
<b>Cash at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

## BUDGETED FINANCIAL STATEMENTS – CHILD SUPPORT PROGRAM

**Table 3.2.15: Budgeted departmental income statement (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	466,175	454,073	419,572	429,672	436,912
Goods and services	2,090	1,940	1,940	1,940	1,940
Revenue from sale of assets					
Other	672	-	-	-	-
<b>Total revenue</b>	<b>468,937</b>	<b>456,013</b>	<b>421,512</b>	<b>431,612</b>	<b>438,852</b>
<b>Total income</b>	<b>468,937</b>	<b>456,013</b>	<b>421,512</b>	<b>431,612</b>	<b>438,852</b>
<b>EXPENSE</b>					
Employees	280,782	274,959	244,016	252,451	254,154
Suppliers	166,754	159,522	154,108	159,778	166,111
Depreciation and amortisation	19,868	21,295	23,006	19,053	18,241
Finance costs	(49)	237	382	330	346
Write-down of assets and impairment of assets	6,795	-	-	-	-
Losses from sale of assets	18	-	-	-	-
<b>Total expenses</b>	<b>474,168</b>	<b>456,013</b>	<b>421,512</b>	<b>431,612</b>	<b>438,852</b>
<b>Surplus (Deficit) before income tax</b>	<b>(5,231)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(5,231)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis



**Table 3.2.16: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	3,356	3,500	3,500	3,500	3,500
Trade and other Receivables	85,242	77,593	92,078	98,077	92,650
Accrued revenues	-	-	-	-	-
<b>Total financial assets</b>	<b>88,598</b>	<b>81,093</b>	<b>95,578</b>	<b>101,577</b>	<b>96,150</b>
<b>Non-financial assets</b>					
Land and buildings	36,775	52,452	43,366	40,876	47,724
Infrastructure, plant and equipment	2,606	1,810	1,511	697	483
Intangibles	26,472	32,501	27,737	22,958	21,025
Other	2,893	3,151	3,151	3,151	3,151
<b>Total non-financial assets</b>	<b>68,746</b>	<b>89,914</b>	<b>75,765</b>	<b>67,682</b>	<b>72,383</b>
<b>Total assets</b>	<b>157,344</b>	<b>171,007</b>	<b>171,343</b>	<b>169,259</b>	<b>168,533</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	65,546	64,862	68,093	67,528	67,885
Other	7,907	10,915	9,956	10,392	10,849
<b>Total provisions</b>	<b>73,453</b>	<b>75,777</b>	<b>78,049</b>	<b>77,920</b>	<b>78,734</b>
<b>Payables</b>					
Suppliers	21,432	21,972	22,586	23,084	23,566
Tax liabilities	-	-	-	-	-
Other	65	-	-	-	-
Lease Incentives	12,103	15,803	13,253	10,800	8,778
<b>Total payables</b>	<b>33,600</b>	<b>37,775</b>	<b>35,839</b>	<b>33,884</b>	<b>32,344</b>
<b>Total liabilities</b>	<b>107,053</b>	<b>113,552</b>	<b>113,888</b>	<b>111,804</b>	<b>111,078</b>
<b>Net assets</b>	<b>50,291</b>	<b>57,455</b>	<b>57,455</b>	<b>57,455</b>	<b>57,455</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	43,505	50,669	50,669	50,669	50,669
Reserves	243	243	243	243	243
Retained surpluses or accumulated deficits	6,543	6,543	6,543	6,543	6,543
<b>Total equity</b>	<b>50,291</b>	<b>57,455</b>	<b>57,455</b>	<b>57,455</b>	<b>57,455</b>
<b>Current assets</b>	<b>91,491</b>	<b>84,244</b>	<b>98,729</b>	<b>104,728</b>	<b>99,301</b>
<b>Non-current assets</b>	<b>65,853</b>	<b>86,763</b>	<b>72,614</b>	<b>64,531</b>	<b>69,232</b>
<b>Current liabilities</b>	<b>74,327</b>	<b>79,486</b>	<b>79,722</b>	<b>78,263</b>	<b>77,755</b>
<b>Non-current liabilities</b>	<b>32,726</b>	<b>34,066</b>	<b>34,166</b>	<b>33,541</b>	<b>33,323</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis

**Table 3.2.17: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	-	-	-	-	-
Appropriations	435,474	457,536	405,392	424,030	442,723
Net GST received	19,477	20,052	16,498	17,296	19,088
Other cash received	2,828	7,829	1,940	1,940	1,940
<b>Total cash received</b>	<b>457,779</b>	<b>485,417</b>	<b>423,830</b>	<b>443,266</b>	<b>463,751</b>
<b>Cash used</b>					
Employees	269,783	275,644	240,926	253,016	253,796
Suppliers	180,524	160,899	156,706	161,899	167,925
Competitive neutrality payments	-	-	-	-	-
Cash to the Official Public Account	-	-	-	-	-
Net GST paid	-	20,052	16,498	17,296	19,086
Other	-	111	116	86	-
<b>Total cash used</b>	<b>450,307</b>	<b>456,706</b>	<b>414,246</b>	<b>432,297</b>	<b>440,807</b>
<b>Net cash from or (used by) operating activities</b>	<b>7,472</b>	<b>28,711</b>	<b>9,584</b>	<b>10,969</b>	<b>22,944</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1	-	-	-	-
<b>Total cash received</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	25,619	23,771	1,210	6,319	14,844
Purchase of intangibles	14,835	15,757	7,650	4,650	8,100
Cash transferred to the Official Public Account	-	-	-	-	-
Other	-	-	724	-	-
<b>Total cash used</b>	<b>40,454</b>	<b>39,528</b>	<b>9,584</b>	<b>10,969</b>	<b>22,944</b>
<b>Net cash from or (used by) investing activities</b>	<b>(40,453)</b>	<b>(39,528)</b>	<b>(9,584)</b>	<b>(10,969)</b>	<b>(22,944)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	32,893	10,961	-	-	-
<b>Total cash received</b>	<b>32,893</b>	<b>10,961</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>32,893</b>	<b>10,961</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
	<b>(88)</b>	<b>144</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	3,444	3,356	3,500	3,500	3,500
<b>Cash at the end of the reporting period</b>	<b>3,356</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.18: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	6,543		243	43,505	50,291
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>6,543</b>	<b>-</b>	<b>243</b>	<b>43,505</b>	<b>50,291</b>
Surplus (deficit) for the period	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,835	1,835
Other: Previous Year's Outputs					-
-Child Support funding agreement	-	-	-	5,329	5,329
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,164</b>	<b>7,164</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>6,543</b>	<b>-</b>	<b>243</b>	<b>50,669</b>	<b>57,455</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.19: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	70,875	77,426	80,866	84,425	86,417
<b>Total taxation</b>	<b>70,875</b>	<b>77,426</b>	<b>80,866</b>	<b>84,425</b>	<b>86,417</b>
<b>Non-taxation</b>					
Dividends	-	-	-	-	-
Competitive neutrality revenue	-	-	-	-	-
Other sources of non-taxation revenues	1,059,007	1,106,085	1,155,228	1,206,070	1,234,523
<b>Total non-taxation</b>	<b>1,059,007</b>	<b>1,106,085</b>	<b>1,155,228</b>	<b>1,206,070</b>	<b>1,234,523</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,129,882</b>	<b>1,183,511</b>	<b>1,236,094</b>	<b>1,290,495</b>	<b>1,320,940</b>
<b>Total income administered on behalf of Government</b>	<b>1,129,882</b>	<b>1,183,511</b>	<b>1,236,094</b>	<b>1,290,495</b>	<b>1,320,940</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Personal benefits	(5)	-	-	-	-
Suppliers	-	-	-	-	-
Write down and impairment of assets	96,595	96,476	101,861	106,344	108,853
Child Support Payments	1,031,559	1,079,402	1,127,341	1,176,955	1,204,722
<b>Total expenses administered on behalf of Government</b>	<b>1,128,149</b>	<b>1,175,878</b>	<b>1,229,202</b>	<b>1,283,299</b>	<b>1,313,575</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.20: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3	20	20	20	20
Receivables	524,455	553,428	584,932	617,823	651,488
Investments	-	-	-	-	-
<b>Total financial assets</b>	<b>524,458</b>	<b>553,448</b>	<b>584,952</b>	<b>617,843</b>	<b>651,508</b>
<b>Total assets administered on behalf of Government</b>	<b>524,458</b>	<b>553,448</b>	<b>584,952</b>	<b>617,843</b>	<b>651,508</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	25,002	45,471	53,147	61,160	69,363
Accrued child support payments	512,582	541,203	571,077	602,266	634,190
Other payables	27,069	11,726	11,726	11,726	11,726
<b>Total payables</b>	<b>564,653</b>	<b>598,400</b>	<b>635,950</b>	<b>675,152</b>	<b>715,279</b>
<b>Total liabilities administered on behalf of Government</b>	<b>564,653</b>	<b>598,400</b>	<b>635,950</b>	<b>675,152</b>	<b>715,279</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.21: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	5,485	6,194	6,469	6,754	6,913
Cash from the Official Public Account	998,259	1,050,782	1,097,466	1,145,766	1,172,797
Dividends	-	-	-	-	-
Competitive neutrality revenue	-	-	-	-	-
Net GST received	-	-	-	-	-
Other	1,017,987	1,058,063	1,102,729	1,151,260	1,178,420
<b>Total cash received</b>	<b>2,021,731</b>	<b>2,115,039</b>	<b>2,206,664</b>	<b>2,303,780</b>	<b>2,358,130</b>
<b>Cash used</b>					
Personal benefits	34	-	-	-	-
Suppliers	-	-	-	-	-
Net GST paid	-	-	-	-	-
Cash to the Official Public Account	1,023,514	1,063,170	1,110,404	1,159,274	1,186,623
Other	998,224	1,051,852	1,096,260	1,144,506	1,171,507
<b>Total cash used</b>	<b>2,021,772</b>	<b>2,115,022</b>	<b>2,206,664</b>	<b>2,303,780</b>	<b>2,358,130</b>
<b>Net cash from or (used by)</b>					
<b>operating activities</b>	<b>(41)</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
Cash at beginning of reporting period	44	3	20	20	20
<b>Cash at end of reporting period</b>	<b>3</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>

Prepared on Australian Accounting Standards basis

## BUDGETED FINANCIAL STATEMENTS – CRS AUSTRALIA

**Table 3.2.22: Budgeted departmental income statement (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	-	-	-	-	-
Goods and services	182,283	209,481	201,746	197,344	196,210
Revenue from sale of assets	58	-	-	-	-
Other	644	500	500	500	500
<b>Total revenue</b>	<b>182,985</b>	<b>209,981</b>	<b>202,246</b>	<b>197,844</b>	<b>196,710</b>
<b>Total income</b>	<b>182,985</b>	<b>209,981</b>	<b>202,246</b>	<b>197,844</b>	<b>196,710</b>
<b>EXPENSE</b>					
Employees	122,486	123,880	121,002	118,365	117,630
Suppliers	53,522	75,813	71,683	69,271	68,873
Depreciation and amortisation	3,051	6,900	6,900	6,900	6,900
Finance costs	28	-	-	-	-
Write-down of assets and impairment of assets	283	58	58	58	58
Losses from sale of assets	-	-	-	-	-
<b>Total expenses</b>	<b>179,370</b>	<b>206,651</b>	<b>199,643</b>	<b>194,594</b>	<b>193,461</b>
<b>Surplus (Deficit) before income tax</b>	<b>3,615</b>	<b>3,330</b>	<b>2,603</b>	<b>3,250</b>	<b>3,249</b>
<b>Income tax expense</b>	<b>230</b>	<b>1,389</b>	<b>1,389</b>	<b>1,389</b>	<b>1,389</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>3,385</b>	<b>1,941</b>	<b>1,214</b>	<b>1,861</b>	<b>1,860</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.23: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	7,774	7,618	3,749	4,462	6,069
Trade and other Receivables	84,458	84,458	84,460	84,460	84,460
Accrued revenues	1,831	1,931	1,931	2,431	2,431
<b>Total financial assets</b>	<b>94,063</b>	<b>94,007</b>	<b>90,140</b>	<b>91,353</b>	<b>92,960</b>
<b>Non-financial assets</b>					
Land and buildings	8,131	8,369	8,607	8,845	9,084
Infrastructure, plant and equipment	1,756	1,772	1,788	1,803	1,817
Intangibles	950	595	595	595	595
Other	1,320	1,320	1,320	1,320	1,320
<b>Total non-financial assets</b>	<b>12,157</b>	<b>12,056</b>	<b>12,310</b>	<b>12,563</b>	<b>12,816</b>
<b>Total assets</b>	<b>106,220</b>	<b>106,063</b>	<b>102,450</b>	<b>103,916</b>	<b>105,776</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	27,244	24,528	22,084	22,083	22,083
Other	2,147	2,147	2,147	2,147	2,147
<b>Total provisions</b>	<b>29,391</b>	<b>26,675</b>	<b>24,231</b>	<b>24,230</b>	<b>24,230</b>
<b>Payables</b>					
Suppliers	5,601	6,019	3,837	3,443	3,443
Tax liabilities	359	359	359	359	359
Other	5,879	6,079	5,879	5,879	5,879
Lease Incentives	594	594	594	594	594
<b>Total payables</b>	<b>12,433</b>	<b>13,051</b>	<b>10,669</b>	<b>10,275</b>	<b>10,275</b>
<b>Total liabilities</b>	<b>41,824</b>	<b>39,726</b>	<b>34,900</b>	<b>34,505</b>	<b>34,505</b>
<b>Net assets</b>	<b>64,396</b>	<b>66,337</b>	<b>67,550</b>	<b>69,411</b>	<b>71,271</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	43,547	43,547	43,547	43,547	43,547
Reserves	2,339	2,339	2,339	2,339	2,339
Retained surpluses or accumulated deficits	18,510	20,451	21,664	23,525	25,385
<b>Total equity</b>	<b>64,396</b>	<b>66,337</b>	<b>67,550</b>	<b>69,411</b>	<b>71,271</b>
<b>Current assets</b>	<b>95,331</b>	<b>95,327</b>	<b>91,460</b>	<b>92,673</b>	<b>94,280</b>
<b>Non-current assets</b>	<b>10,889</b>	<b>10,736</b>	<b>10,990</b>	<b>11,243</b>	<b>11,496</b>
<b>Current liabilities</b>	<b>35,165</b>	<b>29,795</b>	<b>26,175</b>	<b>25,879</b>	<b>25,879</b>
<b>Non-current liabilities</b>	<b>6,659</b>	<b>9,931</b>	<b>8,725</b>	<b>8,626</b>	<b>8,626</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis



**Table 3.2.24: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	203,213	209,181	201,746	196,844	196,211
Appropriations	-	-	-	-	-
Net GST received	(11,825)	27,422	26,887	26,398	26,334
Other cash received	207	500	500	500	500
<b>Total cash received</b>	<b>191,595</b>	<b>237,103</b>	<b>229,133</b>	<b>223,742</b>	<b>223,045</b>
<b>Cash used</b>					
Employees	118,490	126,795	125,446	118,565	117,830
Suppliers	58,828	76,218	73,844	71,241	70,450
Competitive neutrality payments	1,849	1,189	1,189	1,189	1,189
Cash to the Official Public Account	-	-	-	-	-
Net GST paid	-	27,422	26,887	26,397	26,334
Other	-	-	-	-	-
<b>Total cash used</b>	<b>179,167</b>	<b>231,624</b>	<b>227,366</b>	<b>217,392</b>	<b>215,803</b>
<b>Net cash from or (used by) operating activities</b>	<b>12,428</b>	<b>5,479</b>	<b>1,766</b>	<b>6,350</b>	<b>7,242</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	59	-	-	-	-
<b>Total cash received</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	2,458	5,635	5,635	5,635	5,635
Purchase of intangibles	271	-	-	-	-
Cash transferred to the Official Public Account	11,700	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>14,429</b>	<b>5,635</b>	<b>5,635</b>	<b>5,635</b>	<b>5,635</b>
<b>Net cash from or (used by) investing activities</b>	<b>(14,370)</b>	<b>(5,635)</b>	<b>(5,635)</b>	<b>(5,635)</b>	<b>(5,635)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
Cash at the beginning of the reporting period	9,716	7,774	7,618	3,747	4,462
<b>Cash at the end of the reporting period</b>	<b>7,774</b>	<b>7,618</b>	<b>3,749</b>	<b>4,462</b>	<b>6,069</b>

Prepared on Australian Accounting Standards basis

**Table 3.2.25: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	18,510		2,339	43,547	64,396
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>18,510</b>	<b>-</b>	<b>2,339</b>	<b>43,547</b>	<b>64,396</b>
Surplus (deficit) for the period	1,941	-	-	-	1,941
<b>Total income and expenses recognised directly in equity</b>	<b>1,941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,941</b>
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Other: Previous Year's Outputs - funding agreement	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>20,451</b>	<b>-</b>	<b>2,339</b>	<b>43,547</b>	<b>66,337</b>

Prepared on Australian Accounting Standards basis

# CENTRELINK

<b>Section 1: Agency overview and resources</b> .....	<b>53</b>
1.1 Strategic direction .....	53
1.2 Agency resource statement .....	56
1.3 Agency measures table .....	58
1.4 Additional estimates and variations .....	60
1.5 Breakdown of additional estimates by appropriation bill.....	64
<b>Section 2: Revisions to agency outcomes and planned performance</b> .....	<b>66</b>
2.1 Outcomes and performance information .....	66
<b>Section 3: Explanatory tables and budgeted financial statements</b> .....	<b>67</b>
3.1 Explanatory tables .....	67
3.2 Budgeted financial statements.....	69



# CENTRELINK

## ***Section 1: Agency overview and resources***

### **1.1 STRATEGIC DIRECTION**

Centrelink's Purpose is:

Serving Australia by assisting people to become self-sufficient and supporting those in need.

Centrelink provides services on behalf of more than 20 organisations. Centrelink delivers information, payments and services detailed in Business Partnership Agreements or similar arrangements. Centrelink has Business Partnership Agreements in place with the following Policy Departments:

- Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA);
- Australian Government Department of Education, Employment and Workplace Relations (DEEWR);
- Australian Government Department of Agriculture, Fisheries and Forestry (DAFF); and
- Australian Government Department of Health and Ageing (DoHA).

Centrelink acts in partnership with other levels of government and the broader Australian community and distributes payments to Australian families, communities and individuals. These payments include income support and family assistance payments and payments under a range of rural assistance measures. The outcomes relate to Government welfare priorities.

*Agency Additional Estimates Statements - Centrelink*

Centrelink's Strategic Themes specify the high level of focus that integrates issues, opportunities and information from the internal and external environment. A Theme is a succinct statement that provides a medium to long-term focus for Centrelink's strategic implementation efforts.

Centrelink's Strategic Themes are:

- Building confidence in Centrelink

To provide assurance to Government, clients and customers that services are fairly, effectively and efficiently delivered.

- Strengthening our customer focus in line with Government direction

To build and leverage our strong customer focus when delivering government policies and agendas.

- Developing a networked organisation

To link with others inside and outside the organisation to provide quality outcomes and seamless service for customers.

- Building capability for Government

To have the right resources and underlying capability to progress the Government's agenda on an ongoing basis and in times of crisis.

- Demonstrating value for money

To be accountable for the efficient use of resources and ensuring the best service offer at the best price.

Centrelink's Strategic Priorities reflect the most important things at an organisational level that need to be done. These are variable and current and for this reason are reviewed regularly. Centrelink's priorities must be understood and progressed to support the Government's agenda.

Centrelink's Strategic Priorities for 2008-09 are:

- Build capability and support our people to deliver the Government's priorities;
- Improve the customer experience;
- Support the Minister and the Department of Human Services to improve service delivery;
- Demonstrate united leadership;
- Prepare for increasing integration with Human Services agencies;
- Ensure effective and efficient delivery of services; and
- Strengthen relationships with local communities.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for Centrelink at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: Centrelink resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008**

	Estimate as at Budget <sup>+</sup>	Proposed Additional <sup>=</sup> Estimates	Total Estimate (Additional Estimates)	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs <sup>1</sup>	607,171	1,148	608,319	608,799
<b>Total</b>	<b>607,171</b>	<b>1,148</b>	<b>608,319</b>	<b>608,799</b>
<b>Total ordinary annual services</b>	<b>A 607,171</b>	<b>1,148</b>	<b>608,319</b>	<b>608,799</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections <sup>2</sup>	3,536	-	3,536	41,460
Previous years' outputs <sup>2</sup>	-	106	106	2,232
<b>Total</b>	<b>3,536</b>	<b>106</b>	<b>3,642</b>	<b>43,692</b>
<b>Total other services</b>	<b>B 3,536</b>	<b>106</b>	<b>3,642</b>	<b>43,692</b>
<b>Total Available Annual Appropriations</b>	<b>610,707</b>	<b>1,254</b>	<b>611,961</b>	<b>652,491</b>
<b>Special Accounts <sup>3</sup></b>				
Opening balance	243,638	74,334	317,972	223,894
Appropriation Receipts	610,707	(11,340)	599,367	652,491
Non-Appropriation receipts to Special Accounts	<b>2,215,758</b>	81,002	2,296,760	2,168,588
<b>Total Special Account</b>	<b>C 3,070,103</b>	<b>143,996</b>	<b>3,214,099</b>	<b>3,044,973</b>
<b>Total resourcing</b>	<b>3,680,810</b>	<b>145,250</b>	<b>3,826,060</b>	<b>3,697,464</b>
A+B+C				
Less appropriations drawn from annual or special appropriations above and credited to special accounts			(599,367)	(652,491)
<b>Total net resourcing for Centrelink</b>			<b>3,226,693</b>	<b>3,044,973</b>

<sup>1</sup> Appropriation Bill (No.3) 2008-09

<sup>2</sup> Appropriation Bill (No.4) 2008-09

<sup>3</sup> Estimated opening balance for Commonwealth Social Services Special Accounts. For further information on special accounts see Section 3, Table 3.1.1.

Reader note: All figures are GST exclusive.



**Table 1.1: Centrelink resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008 (continued)**

**Third Party Drawdowns from and on behalf of other agencies**

	\$'000
Centrelink has authority to make the following estimated payments on behalf of other agencies: <sup>1,2,3,4,5</sup> (disclosed in the respective agency's Resource Statement)	
<b>Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)</b>	
A New Tax System ( Family Assistance ) (Administration) Act 1999	19,183,682
Social Security (Administration) Act 1999	44,358,986
<b>Department of Education, Employment and Workplace Relations (DEEWR)</b>	
A New Tax System ( Family Assistance Administration) Act 1999 <sup>5</sup>	2,830,850
Social Security (Administration) Act 1999	11,703,528
Social Security Act 1991	1,800,061
Student Assistance Act 1973	235,288
<b>Department of Agriculture, Fisheries and Forestry (DAFF)</b>	
Farm Household Support Act 1992 (Exceptional Circumstances Relief Payment)	<u>348,727</u>
<b>Total</b>	<u>80,461,122</u>
Revenue received from other agencies for the provision of services (disclosed above within Non-Appropriation Receipts)	<u>2,102,869</u>

**NOTES:**

1. Centrelink's purchaser-provider arrangements with the above agencies (i.e. FaHCSIA, DEEWR, DAFF) include the delivery of payments to customers.
2. Centrelink has no drawdown access to the above agencies' Administered appropriations that are required to be drawn and paid to customers.
3. The respective agencies are responsible for the policy, estimates and reporting of these Administered appropriations.
4. The figures disclosed above are based on the 2008-09 estimates as provided to Centrelink by the respective agencies.
5. The figures disclosed above includes Child Care Benefit program appropriation amounting to \$1,970.03m that both Centrelink and DEEWR pays out to the customers on behalf of DEEWR. It is not possible to quantify how much of this appropriation will be paid by Centrelink for FY 2008-09 as this is a transition year in the implementation payment processes.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2008-09 Budget, with the affected output group identified. The table consists of expense measures only as Centrelink has not had any revenue or capital measures since 2008-09 Budget.

Measures can be found beneath Departmental headings, this stipulates who the Lead Agency is for each measure.

Centrelink will be directly appropriated its transaction funding from 01 July 2009. Table 1.2 has been collated to depict this, that is, all measures that have funding implications in the 2008-09 financial year can be found beneath their respective Lead Agency. For any measure that has funding implications beyond 01 July 2009, the funding is represented as a direct appropriation in Table 1.2, with a footnote advising whom the Lead Agency is.

**Table 1.2: Agency Measures since Budget**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Department of Families, Housing, Community Services</b>					
<b>Expense Measures</b>					
<b>Economic Security Strategy</b>					
- lump sum payment to pensioners, seniors and carers	1.1				
Departmental outputs		8,385	-	-	-
- one-off lump sum payment of \$1,000 per child to low and middle income families	1.1				
Departmental outputs		7,932	-	-	-
Retention of current Fringe Benefit Tax treatment for family assistance customers	1.1				
Departmental outputs		294	-	-	-
Welfare Reform - Cape York trial	1.1				
Departmental outputs		966	-	-	-
<b>Total FaHCSIA expense measures</b>	Departmental	<b>17,577</b>	-	-	-
<b>Department of Innovation, Industry, Science and Research</b>					
<b>Expense Measures</b>					
Additional 2008-09 Funding for the LPG Vehicle Scheme	1.1				
Departmental outputs		2,627	-	-	-
<b>Total DIISR expense measures</b>	Departmental	<b>2,627</b>	-	-	-
<b>Department of Agriculture, Fisheries and Forestry</b>					
<b>Expense Measures</b>					
Small block irrigators - exit grant package	1.1				
Departmental outputs		3,988	-	-	-
Drought Assistance - Exceptional Circumstances assistance for primary producers	1.1				
Departmental outputs		3,578	-	-	-

**Table 1.2: Agency Measures since Budget (continued)**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Drought Assistance - Exceptional Circumstances assistance for small businesses	1.1				
Departmental outputs		110	-	-	-
<b>Total DAFF expense measures</b>	Departmental	<b>7,676</b>	-	-	-
<b>Direct Appropriation Expense Measures</b>					
<b>Economic Security Strategy</b>					
- one-off lump sum payment of \$1,000 per child to low and middle income families	1.1				
Departmental outputs		-	602	192	-
Welfare Reform - Cape York trial	1.1				
Departmental outputs		-	1,320	1,168	682
<b>Family Law Amendments</b>					
- extension of the removal of the discrimination against same sex couples for child support	1.1				
Departmental outputs		1,148	250	173	174
<b>Job Capacity Assessments</b>					
- improved administration	1.1				
Departmental outputs		-	5,232	739	657
A New Model for Delivery of Disability Employment Services	1.1				
Departmental outputs		-	2,308	22	-
<b>Total Direct Appropriation expense measures</b>	Departmental	<b>1,148</b>	<b>9,712</b>	<b>2,294</b>	<b>1,513</b>
	Departmental	29,028	9,712	2,294	1,513
<b>Total expense measures</b>	<b>Total</b>	<b>29,028</b>	<b>9,712</b>	<b>2,294</b>	<b>1,513</b>
<b>Direct Appropriation Capital Measures</b>					
<b>Job Capacity Assessments</b>					
- improved administration	1.1				
Departmental outputs		-	60	-	-
<b>Total capital measures</b>	Departmental	-	<b>60</b>	-	-
	<b>Total</b>	-	<b>60</b>	-	-
<b>Total of ALL measures</b>	Departmental	29,028	9,772	2,294	1,513
	<b>Total</b>	<b>29,028</b>	<b>9,772</b>	<b>2,294</b>	<b>1,513</b>

**Note 1:** The lead agency for measure Economic Security Strategy - one-off lump sum payment of \$1,000 per child to low and middle income families is FaHCSIA. The full measure description and package details appear in the 2008-09 Mid Year Economic and Fiscal Outlook under the Department of Families, Housing, Community Services and Indigenous Affairs portfolio.

**Note 2:** The lead agency for measure Welfare Reform - Cape York is FaHCSIA. The full measure description and package details appear in the 2007-08 Mid Year Economic and Fiscal Outlook under the Department of Families, Housing, Community Services and Indigenous Affairs portfolio.

**Note 3:** The lead agency for measure Family Law Amendments - extension of the removal of the discrimination against same sex couples for child support is DHS.

**Note 4:** The lead agency for measure Job Capacity Assessments - improved administration is DHS.

**Note 5:** The lead agency for measure A New Model for Delivery of Disability Employment Services is DEEWR.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Centrelink at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Department of Families, Housing, Community Services and Indigenous Affairs</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
<b>Economic Security Strategy</b>					
- lump sum payment to pensioners, seniors and carers	1.1	8,385	-	-	-
- one-off lump sum payment of \$1,000 per child to low and middle income families	1.1	7,932	-	-	-
Retention of current Fringe Benefit Tax treatment for family assistance customers	1.1	294	-	-	-
Welfare Reform - Cape York trial	1.1	966	-	-	-
<b>Net impact on FaHCSIA estimates for Outcome 1 (departmental)</b>		<b>17,577</b>	-	-	-
<b>Department of Innovation, Industry, Science and Research</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Additional 2008-09 funding for the LPG Vehicle Scheme					
	1.1	2,627	-	-	-
<b>Net impact on DIISR estimates for Outcome 1 (departmental)</b>		<b>2,627</b>	-	-	-
<b>Department of Agriculture, Fisheries and Forestry</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Small block irrigators - exit grant package	1.1	3,988	-	-	-
Drought Assistance - Exceptional Circumstances assistance for primary producers	1.1	3,578	-	-	-
Drought Assistance - Exceptional Circumstances assistance for small businesses	1.1	110	-	-	-
<b>Net impact on DAFF estimates for Outcome 1 (departmental)</b>		<b>7,676</b>	-	-	-

**Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget (continued)**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Direct Appropriation</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
<b>Economic Security Strategy</b>					
- one-off lump sum payment of \$1,000 per child to low and middle income families					
	1.1	-	602	192	-
Welfare Reform - Cape York trial					
	1.1	-	1,320	1,168	682
<b>Family Law Amendments</b>					
- extension of the removal of the discrimination against same sex couples for child support					
	1.1	1,148	250	173	174
<b>Job Capacity Assessments</b>					
- improved administration					
	1.1	-	5,292	739	657
A New Model for Delivery of Disability Employment Services					
	1.1	-	2,308	22	-
<b>Net impact on Direct Appropriation estimates for Outcome 1 (departmental)</b>		<b>1,148</b>	<b>9,772</b>	<b>2,294</b>	<b>1,513</b>
<b>Net impact on ALL estimates for Outcome 1 (departmental)</b>		<b>29,028</b>	<b>9,772</b>	<b>2,294</b>	<b>1,513</b>

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Department of Families, Housing, Community Services and Indigenous Affairs</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Northern Territory - Income Management - reversal of Budget 2008-09 adjustment	1.1	636	-	-	-
<b>Outcome 1</b>					
Decrease in estimates (departmental)					
Transfer of appropriations between Agencies	1.1	-	(833,492)	(810,761)	(820,402)
<b>Net impact on FaHCSIA estimates for Outcome 1 (departmental)</b>		<b>636</b>	<b>(833,492)</b>	<b>(810,761)</b>	<b>(820,402)</b>
<b>Department of Education, Employment and Workplace Relations</b>					
<b>Outcome 1</b>					
Decrease in estimates (departmental)					
Transfer of appropriations between Agencies	1.1	-	(894,767)	(906,723)	(918,152)
<b>Net impact on DEEWR estimates for Outcome 1 (departmental)</b>		<b>-</b>	<b>(894,767)</b>	<b>(906,723)</b>	<b>(918,152)</b>
<b>Department of Agriculture, Fisheries and Forestry</b>					
<b>Outcome 1</b>					
Decrease in estimates (departmental)					
Small Block Irrigators - exit grant package (estimates adjustment)	1.1	(1,260)	-	-	-
Transfer of appropriations between Agencies	1.1	-	(5,790)	(3,315)	(3,311)
<b>Net impact on DAFF estimates for Outcome 1 (departmental)</b>		<b>(1,260)</b>	<b>(5,790)</b>	<b>(3,315)</b>	<b>(3,311)</b>

**Table 1.4: Additional estimates and variations to outcomes from other variations (continued)**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Department of Innovation, Industry, Science and Research</b>					
<b>Outcome 1</b>					
Decrease in estimates (departmental)					
Transfer of appropriations between Agencies	1.1	-	(3,089)	(2,193)	(2,214)
<b>Net impact on DIISR estimates for Outcome 1 (departmental)</b>		<b>-</b>	<b>(3,089)</b>	<b>(2,193)</b>	<b>(2,214)</b>
<b>Department of Health and Ageing</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Wage Cost Indices	1.1	-	60	73	86
<b>Net impact on DoHA estimates for Outcome 1 (departmental)</b>		<b>-</b>	<b>60</b>	<b>73</b>	<b>86</b>
<b>Direct Appropriation</b>					
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Small Block Irrigators - exit grant package (estimates adjustment)	1.1	-	967	104	94
Wage Cost Indices	1.1	-	11,227	13,369	15,801
Transfer of appropriations between Agencies	1.1	-	1,737,138	1,722,992	1,744,079
<b>Net impact on Direct Appropriation estimates for Outcome 1 (departmental)</b>		<b>-</b>	<b>1,749,332</b>	<b>1,736,465</b>	<b>1,759,974</b>
<b>Total of all variations to Outcome 1 - other variations</b>		<b>(624)</b>	<b>12,254</b>	<b>13,546</b>	<b>15,981</b>
	Departmental				

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for Centrelink through Appropriation Bills No.3 and No.4.

**Table 1.5: Appropriation Bill (No. 3) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Access to Government services that effectively support: self sufficiency through participation in employment, education, training and the community; families and people in need; and the integrity of Government outlays in these areas	608,799	607,171	608,319	1,148	-
<b>Total departmental</b>	<b>608,799</b>	<b>607,171</b>	<b>608,319</b>	<b>1,148</b>	<b>-</b>
<b>Total</b>	<b>608,799</b>	<b>607,171</b>	<b>608,319</b>	<b>1,148</b>	<b>-</b>

**Note:** Centrelink receives direct appropriation for Infrastructure costs and Centrelink coordinated Budget measures. In 2008-09, Centrelink has \$608.32m directly appropriated as reported in Table 1.5. Previous direct appropriations were costed at \$607.17m. The addition in direct appropriation of \$1.15m is attributed to:

- *Family Law Amendment - extension of the removal of the discrimination against same sex couples for child support: \$1.15m.*



**Table 1.6: Appropriation Bill (No. 4) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
<b>Non-operating</b>					
Equity injections	41,460	3,536	(9,058)	-	(12,594)
Previous years' outputs	2,232	-	106	106	-
<b>Total non-operating</b>	<b>43,692</b>	3,536	(8,952)	<b>106</b>	<b>(12,594)</b>
<b>Total</b>	<b>43,692</b>	<b>3,536</b>	<b>(8,952)</b>	<b>106</b>	<b>(12,594)</b>

**Note:** Centrelink receives direct appropriations for funding relating to equity injections. In 2008-09, Centrelink has an \$8.9m reduction in the equity injection as reported in Table 1.6. The implementation of previous budget measures was costed at \$3.54m. The net reduction in equity injection of \$12.49m is attributed to the following:

- return of the 07-08 NTER funding received from DEEWR as a result of the 07-08 NTER No Win/ No Loss reconciliation process -\$0.87m;
- reduction in departmental equity (Capital Injection) as a result of the 07-08 NTER No Win/No Loss reconciliation process -\$11.73m; and
- additional funds requested for the overspend incurred under 07-08 NTER Bill 1 (expense) as a result of the 07-08 NTER No Win/No Loss reconciliation process \$0.11m.

## Section 2: Revisions to agency outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

No changes have been made to Centrelink's Outcome Structure and Output Group. Complete details of Centrelink's Outcome and Performance Information can be found in 2008-09 Portfolio Budget Statements.

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.3 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by Centrelink. The corresponding table in the 2008-09 PB Statements is Table 3.1.3.

**Table 3.1.1: Estimates of special account flows**

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000
Commonwealth Social Services Special Account (D)	1	<b>317,972</b> 223,894	<b>2,896,127</b> 2,821,079	<b>(2,912,793)</b> (2,727,001)	<b>301,306</b> 317,972
Commonwealth Services Delivery Agency Other Trust Moneys Account (T)		<b>433</b> 936	<b>1,800</b> 1,976	<b>(1,880)</b> (2,479)	<b>353</b> 433
<b>Total special accounts</b>					
<b>2008-09 Budget estimate</b>		<b>318,405</b>	<b>2,897,927</b>	<b>(2,914,673)</b>	<b>301,659</b>
Total special accounts 2007-08 estimate actual		224,830	2,823,055	(2,729,480)	318,405

D = Departmental;

T= Assets held in Trust

### 3.1.4 Estimates of variations to Average Staffing Level

Changes in Average Staff Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in agency PB Statements in each Outcome Resourcing Table.

**Table 3.1.2: Average Staffing Level (ASL)**

	2008-09 Budget	2008-09 Revised	Variation
<b>Outcome 1</b>			
Access to Government services that effectively support: self sufficiency through participation in employment, education, training and the community; families and people in need; and the integrity of Government outlays in these areas	24,700	24,700	-
<b>Total</b>	<b>24,700</b>	<b>24,700</b>	<b>-</b>

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

The significant differences between resource information presented in the Budget Papers and Portfolio Additional Estimates Statements (PAES) are the result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

These differences mainly comprise of:

- 2007-08 Unearned Revenue recognised in 2008-09 in the Income Statement (AAS);
- GST cash receipts included in the Agency Resource Statement (GFS); and
- Resources Received Free of Charge (AAS).

### **3.2.2 Budgeted financial statements**

#### **Departmental financial statements**

##### **Budgeted Income Statement (see table 3.2.1)**

Centrelink is budgeting for break-even operating results for 2008-09 and for the forward years.

The total income for 2008-09 is estimated to increase by \$167.09m from the 2007-08 actual income of \$2,658.63m, primarily due to increases in funding from the 2008-09 Budget Estimates and 2008-09 Additional Estimates initiatives.

The 2008-09 expenses are also estimated to increase by \$139.56m from the 2007-08 actual expense of \$2,686.16m.

##### **Budgeted Balance Sheet (see table 3.2.2)**

Centrelink's budgeted net asset position of \$306.39m represents an increase of \$4.79m from the 30 June 2008 actual position. The increase is mainly due to additional funds to be received from Department of Families, Housing, Community Services and Indigenous Affairs (\$13.74m). These funds are part of the 2007-08 NTER Budget initiative reconciliation process relating to work delivered during 2007-08, offset by a net reduction in capital injection of \$8.95m, as detailed in Table 1.6 - Appropriation Bill (No 4) 2008-09.

The 2008-09 total assets are expected to decrease by \$1.06m. This figure mainly reflects an anticipated reduction in trade and other receivables, cash at bank and prepayments of \$18.38m, offset by a net increase in fixed assets of \$17.32m.

*Agency Additional Estimates Statements - Centrelink*

Centrelink's total liabilities are estimated to decrease by approximately \$5.85m in 2008-09 due to a decrease in unearned revenue (\$29.62m), supplier payables and other provisions (\$14.53m), offset by an increase in employee provisions (\$38.34m). The primary liability continues to be accrued employee leave entitlements.

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	608,799	608,319	2,308,892	2,290,701	2,320,094
Goods and services	2,045,582	2,213,924	104,397	106,435	100,810
Other	1,026	-	-	-	-
<b>Total revenue</b>	<b>2,655,407</b>	<b>2,822,243</b>	<b>2,413,289</b>	<b>2,397,136</b>	<b>2,420,904</b>
<b>Gains</b>					
Net gains from sale of assets	534	-	-	-	-
Other	2,692	3,481	3,623	3,768	3,919
<b>Total gains</b>	<b>3,226</b>	<b>3,481</b>	<b>3,623</b>	<b>3,768</b>	<b>3,919</b>
<b>Total income</b>	<b>2,658,633</b>	<b>2,825,724</b>	<b>2,416,912</b>	<b>2,400,904</b>	<b>2,424,823</b>
<b>EXPENSE</b>					
Employees	1,722,726	1,858,123	1,462,063	1,455,263	1,480,155
Suppliers	808,926	811,878	801,260	799,300	800,022
Depreciation and amortisation	140,222	150,223	148,089	140,841	139,146
Write-down of assets and impairment of assets	14,289	5,500	5,500	5,500	5,500
<b>Total expenses</b>	<b>2,686,163</b>	<b>2,825,724</b>	<b>2,416,912</b>	<b>2,400,904</b>	<b>2,424,823</b>
<b>Net operating result</b>	<b>(27,530)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>(27,530)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	29,972	23,166	22,675	23,607	23,680
Receivables	315,959	306,028	339,603	334,633	399,499
<b>Total financial assets</b>	<b>345,931</b>	<b>329,194</b>	<b>362,278</b>	<b>358,240</b>	<b>423,179</b>
<b>Non-financial assets</b>					
Land and buildings	195,903	213,424	230,238	224,101	215,243
Infrastructure, plant and equipment	121,350	142,069	121,137	119,783	103,741
Intangibles	236,065	215,145	216,825	247,043	226,365
Prepayment	47,782	46,141	30,011	30,614	31,241
<b>Total non-financial assets</b>	<b>601,100</b>	<b>616,779</b>	<b>598,211</b>	<b>621,541</b>	<b>576,590</b>
<b>Total assets</b>	<b>947,031</b>	<b>945,973</b>	<b>960,489</b>	<b>979,781</b>	<b>999,769</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	57,369	54,140	55,553	57,002	58,489
Other payables	95,637	57,802	59,326	61,385	62,177
<b>Total payables</b>	<b>153,006</b>	<b>111,942</b>	<b>114,879</b>	<b>118,387</b>	<b>120,666</b>
<b>Provisions</b>					
Employees	473,377	511,718	524,185	542,591	562,109
Other provisions	19,044	15,920	12,442	9,820	8,011
<b>Total provisions</b>	<b>492,421</b>	<b>527,638</b>	<b>536,627</b>	<b>552,411</b>	<b>570,120</b>
<b>Total liabilities</b>	<b>645,427</b>	<b>639,580</b>	<b>651,506</b>	<b>670,798</b>	<b>690,786</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	301,041	291,983	294,573	294,573	294,573
Reserves	28,394	28,394	28,394	28,394	28,394
Accumulated deficits	(27,831)	(13,984)	(13,984)	(13,984)	(13,984)
<b>Total parent entity interest</b>	<b>301,604</b>	<b>306,393</b>	<b>308,983</b>	<b>308,983</b>	<b>308,983</b>
<b>Total equity</b>	<b>301,604</b>	<b>306,393</b>	<b>308,983</b>	<b>308,983</b>	<b>308,983</b>
<b>Current assets</b>	<b>393,448</b>	<b>375,335</b>	<b>392,289</b>	<b>388,854</b>	<b>454,420</b>
<b>Non-current assets</b>	<b>553,583</b>	<b>570,638</b>	<b>568,200</b>	<b>590,927</b>	<b>545,349</b>
<b>Current liabilities</b>	<b>544,052</b>	<b>491,484</b>	<b>501,606</b>	<b>517,922</b>	<b>535,459</b>
<b>Non-current liabilities</b>	<b>101,375</b>	<b>148,096</b>	<b>149,900</b>	<b>152,876</b>	<b>155,327</b>

Prepared on Australian Accounting Standards basis.



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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,082,105	2,188,618	108,985	111,755	104,537
Appropriations	608,799	608,319	2,308,892	2,290,701	2,320,094
Net GST received	85,880	94,225	77,430	72,769	75,798
Cash from the Official Public Account	-	9,860	-	5,087	-
<b>Total cash received</b>	<b>2,776,784</b>	<b>2,901,022</b>	<b>2,495,307</b>	<b>2,480,312</b>	<b>2,500,429</b>
<b>Cash used</b>					
Employees	1,671,112	1,819,782	1,449,597	1,436,857	1,460,636
Suppliers	840,421	919,969	864,181	873,454	875,786
Cash to the Official Public Account	84,000	-	33,458	-	64,866
<b>Total cash used</b>	<b>2,595,533</b>	<b>2,739,751</b>	<b>2,347,236</b>	<b>2,310,311</b>	<b>2,401,288</b>
<b>Net cash from or (used by)</b>					
<b>operating activities</b>	<b>181,251</b>	<b>161,271</b>	<b>148,071</b>	<b>170,001</b>	<b>99,141</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	603	177	-	-	-
<b>Total cash received</b>	<b>603</b>	<b>177</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	155,721	138,501	96,488	87,037	69,489
Purchase of intangibles	59,747	34,542	54,664	82,032	29,579
<b>Total cash used</b>	<b>215,468</b>	<b>173,043</b>	<b>151,152</b>	<b>169,069</b>	<b>99,068</b>
<b>Net cash from or (used by)</b>					
<b>investing activities</b>	<b>(214,865)</b>	<b>(172,866)</b>	<b>(151,152)</b>	<b>(169,069)</b>	<b>(99,068)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	43,692	(8,952)	2,590	-	-
Other cash received	-	13,741	-	-	-
<b>Total cash received</b>	<b>43,692</b>	<b>4,789</b>	<b>2,590</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Other cash used	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by)</b>					
<b>financing activities</b>	<b>43,692</b>	<b>4,789</b>	<b>2,590</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease)</b>					
<b>in cash held</b>	<b>10,078</b>	<b>(6,806)</b>	<b>(491)</b>	<b>932</b>	<b>73</b>
Cash at the beginning of the reporting period	19,894	29,972	23,166	22,675	23,607
<b>Cash at the end of the reporting period</b>	<b>29,972</b>	<b>23,166</b>	<b>22,675</b>	<b>23,607</b>	<b>23,680</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>				
Balance carried forward from previous period	(27,831)	28,394	301,041	301,604
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	<b>(27,831)</b>	<b>28,394</b>	<b>301,041</b>	<b>301,604</b>
<b>Income and expense</b>				
Net operating result	-	-	-	-
<b>Total income and expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>				
<i>Contribution by owners</i>				
Appropriation (equity injection)	13,847	-	(9,058)	4,789
<b>Sub-total transactions with owners</b>	<b>13,847</b>	<b>-</b>	<b>(9,058)</b>	<b>4,789</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>(13,984)</b>	<b>28,394</b>	<b>291,983</b>	<b>306,393</b>

Prepared on Australian Accounting Standards basis.

## **Notes to the financial statements**

### **Departmental**

#### **1. Basis of Preparation of the Budgeted Financial Report**

The Budgeted Financial Statements have been prepared in accordance with:

- Finance Minister's Orders (FMOs); and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

Centrelink's Budgeted Financial Report has been prepared on an accrual basis and is in accordance with the historical cost convention, except for certain assets, which have been recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Unless an alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the Balance Sheet when and only when:

- it is probable that future economic benefits will flow to Centrelink; or
- a future sacrifice of economic benefits will be required; and
- the amounts of the assets or liabilities can be reliably measured.

However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard.

Unless an alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the Income Statement when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.



# MEDICARE AUSTRALIA

<b>Section 1: Agency overview and resources</b> .....	<b>79</b>
1.1 Strategic direction .....	79
1.2 Agency resource statement .....	79
1.3 Agency measures table .....	83
1.4 Additional estimates and variations to outcomes .....	84
1.5 Breakdown of additional estimates by appropriation bill.....	86
<b>Section 2: Revisions to agency outcomes and planned performance</b> .....	<b>87</b>
2.1 Outcomes and performance information .....	87
<b>Section 3: Explanatory tables and budgeted financial statements</b> .....	<b>87</b>
3.1 Explanatory tables .....	87
3.2 Budgeted financial statements.....	89



# **MEDICARE AUSTRALIA**

## **Section 1: Agency overview and resources**

### **1.1 STRATEGIC DIRECTION**

Medicare Australia administers a range of health-related and other programs on behalf of the Australian Government, and plays an integral role in the Australian health sector in particular, by supporting the development of E-Health initiatives.

The objective of Medicare Australia is to work together with our strategic policy partners and stakeholders to improve the health and wellbeing of Australians by delivering information and payment services.

There have been no significant changes to the role of Medicare Australia to that described in the 2008-09 Portfolio Budget Statements. Medicare Australia has not been affected by any Administrative Arrangements Orders and therefore does not have any outputs transferred to or from, other agencies.

Further details can be found in the 2008-09 Portfolio Budget Statements.

### **1.2 AGENCY RESOURCE STATEMENT**

Table 1.1 shows the total resources from all origins for the 2008-09 Budget year. The table summarises how resources will be applied by outcome and by administered and departmental classification.

The total resourcing for Medicare Australia including Special accounts in 2008-09 is \$1,105m.

**Table 1.1: Medicare Australia resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008**

	Estimate as at Budget <sup>+</sup>	Proposed Additional Estimates <sup>=</sup>	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	735,591	- <sup>1,5</sup>	735,591	743,339
s31 Relevant agency receipts	83,701	5,831 <sup>3</sup>	89,532	87,213
<b>Total</b>	<b>819,292</b>	<b>5,831</b>	<b>825,123</b>	<b>830,552</b>
<b>Administered expenses</b>				
Outcome 1	6,843	- <sup>1</sup>	6,843	1,401
<b>Total</b>	<b>6,843</b>	<b>-</b>	<b>6,843</b>	<b>1,401</b>
<b>Total ordinary annual services</b>	<b>A 826,135</b>	<b>5,831</b>	<b>831,966</b>	<b>831,953</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	23,045	1,089 <sup>2</sup>	24,134	21,764
Previous years' outputs	16,206	-	16,206	10,784
<b>Total</b>	<b>39,251</b>	<b>1,089</b>	<b>40,340</b>	<b>32,548</b>
<b>Total other services</b>	<b>B 39,251</b>	<b>1,089</b>	<b>40,340</b>	<b>32,548</b>
<b>Total Available Annual Appropriations</b>	<b>865,386</b>	<b>6,920</b>	<b>872,306</b>	<b>864,501</b>
<b>Special Appropriations</b>				
<b>Total Special Appropriations</b>	<b>C -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Appropriations excluding Special Accounts</b>	<b>865,386</b>	<b>6,920</b>	<b>872,306</b>	<b>864,501</b>



**Table 1.1: Medicare Australia resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008 (continued)**

	Estimate as at Budget +	Proposed Additional = Estimates	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Special Accounts</b>				
Opening balance <sup>4</sup>	37,876		37,876	33,403
Non-Appropriation receipts to Special Accounts	195,069		195,069	202,145
<b>Total Special Account</b> D	<b>232,945</b>	<b>-</b>	<b>232,945</b>	<b>235,549</b>
<b>Total resourcing (A+B+C+D)</b>	<b>1,098,332</b>	<b>6,920</b>	<b>1,105,252</b>	<b>1,100,050</b>
<b>Total net resourcing for Medicare Australia</b>	<b>1,098,332</b>	<b>6,920</b>	<b>1,105,252</b>	<b>1,100,050</b>

1. Appropriation Bill (No.3) 2008-09.
  2. Appropriation Bill (No.4) 2008-09.
  3. Total s31 Relevant Agency receipts — estimate.
  4. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.1.
  5. Medicare Australia has a net reduction in Additional Estimates of \$2.876m as detailed in table1.5. This amount remains available pending formal application for a reduction in appropriations.
- Reader Note: All figures are GST exclusive.

### Third Party Drawdowns from and on behalf of other agencies

	Estimate at Budget	Estimate at Additional Estimates
	2008-09 \$'000	2008-09 \$'000
Payments made on behalf of other agencies (disclosed in the respective agency Resource Statement)		
Revenue received from other agencies for the provision of services (disclosed above within Departmental s31)		
Department of Veterans' Affairs	17,724	17,724
Department of Health and Ageing	13,173	20,589
Department of Families, Housing, Community Services and Indigenous Affairs	9,181	9,181
Centrelink	14,000	14,713
Department of Education, Employment and Workplace Relations	290	290
Australian National Audit Office	350	350
Other External Entities	28,983	26,685
<b>Total s31 Relevant agency receipts</b>	<b>83,701</b>	<b>89,532</b>

**Notes:**

1. Medicare Australia does not have any third party drawdown rights to draw against appropriations of other agencies.
2. Medicare Australia has services delivery arrangements with above agencies.

**Table 1.1: Medicare Australia resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008 (continued)**

<b>Prior year Annual Appropriations Carried Forward and Special Account Opening Balances finalised in Agency Annual Report</b>			
	<b>Estimate</b>	<b>Actual</b>	<b>Total Adjustment</b>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Departmental outputs - ordinary annual services	117,653	127,231	9,578
Departmental - non- operating - equity injections	8,602	13,546	4,944
Departmental - non- operating - Previous years Outputs	-	10,784	10,784
Administered non- operating- administered assets and liabilities	-	1,401	1,401
Special account opening balances	27,841	37,876	10,035

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2008-09 Budget. The table is split into revenue, expense and capital measures, with the affected output group identified.

**Table 1.2: Agency Measures since Budget**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Departmental Outputs</b>					
<b>Department of Health &amp; Ageing</b>					
<b>Expense measures</b>					
Medicare Benefits Schedule - new and revised listings	1.1	73	56	59	62
Pharmaceutical Benefits Scheme					
- changes to the administration of funding for Highly Specialised Drugs	1.1	955	2,037	1,724	1,590
- extension to the listing of Humira® (adalimumab)	1.1	74	89	158	169
- extension to the listing of Plavix® and Isocover® (clopidogrel)	1.1	21	54	62	67
- listing of Noxafil® (posaconazole)	1.1	6	9	10	10
- minor new listings	1.1	364	278	217	220
Pharmaceutical Benefits Scheme and National Diabetes Services Scheme – extension of access to government employees living overseas					
	1.1	18	19	20	21
Health Workforce - additional general practice training places					
	1.1	1	210	673	782
<b>Department of Innovation, Industry, Science &amp; Research</b>					
<b>Expense measures</b>					
Additional 2008-09 funding for the LPG Vehicle Scheme	1.1	1,055	-	-	-
<b>Total expense measures</b>	<b>Total</b>	<b>2,567</b>	<b>2,752</b>	<b>2,923</b>	<b>2,921</b>
<b>Department of Health &amp; Ageing</b>					
<b>Capital measures</b>					
Pharmaceutical Benefits Scheme					
- changes to the administration of funding for Highly Specialised Drugs	1.1	1,089	241	-	-
<b>Total capital measures</b>	<b>Total</b>	<b>1,089</b>	<b>241</b>	<b>-</b>	<b>-</b>

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Medicare Australia at Additional Estimates, by outcome. Table 1.3 details the additional estimates and variations resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details additional estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Outcome 1</b>					
Increase in estimates (departmental)					
Medicare Benefits Schedule - new and revised listings					
Pharmaceutical Benefits Scheme	1.1	73	56	59	62
- changes to the administration of funding for Highly Specialised Drugs					
(adalimumab)	1.1	2,044	2,570	2,070	1,935
	1.1	74	89	158	169
- extension to the listing of Plavix® and Isocover® (clopidogrel)					
	1.1	21	54	62	67
- listing of Noxafil® (posaconazole)	1.1	6	9	10	10
- minor new listings					
	1.1	364	278	217	220
Pharmaceutical Benefits Scheme and National Diabetes Services Scheme – extension of access to government employees living overseas					
	1.1	18	19	20	21
Health Workforce - additional general practice training places					
	1.1	1	210	673	782
Additional 2008-09 funding for the LPG Vehicle Scheme					
	1.1	1,055	-	-	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>3,656</b>	<b>3,285</b>	<b>3,269</b>	<b>3,266</b>

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
<b>Outcome 1</b>					
Increase in estimates (departmental)					
WCI Adjustment	1.1		2,855	3,569	4,341
Depreciation Expense reduction	1.1				
Decrease in estimates (departmental)					
Change in MBS & PBS transaction volumes	1.1	(5,443)	(6,830)	(8,997)	(11,174)
<b>Net impact on estimates</b>					
<b>for Outcome 1 (departmental)</b>		<b>(5,443)</b>	<b>(3,975)</b>	<b>(5,428)</b>	<b>(6,833)</b>

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for Medicare Australia through Appropriation Bills No.3 and No.4.

**Table 1.5: Appropriation Bill (No. 3) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
Improving Australia's health through payments and information	1,401	5,442	5,442	-	-
<b>Total</b>	<b>1,401</b>	<b>5,442</b>	<b>5,442</b>	<b>-</b>	<b>-</b>
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Improving Australia's health through payments and information	584,376	608,360	605,150	2,567	(5,443)
<b>Total</b>	<b>584,376</b>	<b>608,360</b>	<b>605,150</b>	<b>2,567</b>	<b>(5,443)</b>
<b>Total administered and departmental</b>	<b>585,777</b>	<b>613,802</b>	<b>610,592</b>	<b>2,567</b>	<b>(5,443)</b>

**Table 1.6: Appropriation Bill (No. 4) 2008-09**

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
<b>OTHER ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
<b>Non-operating</b>					
Equity injections Measure (name)	25,591	9,499	10,588	1,089	-
Loans Previous years' outputs Administered assets and liabilities	10,784	5,422	5,422	-	-
<b>Total non-operating</b>					
Medicare Australia					
<b>Total</b>	<b>36,375</b>	<b>14,921</b>	<b>16,010</b>	<b>1,089</b>	<b>-</b>

## Section 2: Revisions to agency outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

No changes have been made to Medicare Australia's outcome structure and output group. Complete details of Medicare Australia's Outcomes and Performance information can be found in the 2008-09 Portfolio Budget Statement.

## Section 3: Explanatory tables and budgeted financial statements

### **3.1 EXPLANATORY TABLES**

#### **3.1.5 Estimates of special account flows**

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by Medicare Australia. The corresponding table in the 2008-09 PB Statements is Table 3.1.3.

**Table 3.1.1: Estimates of special account flows**

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Recovery of Compensation for Health Care & Other Services Special Account. (A) <sup>1</sup>	1	37,876	193,856	175,606		56,126
	1	33,403	202,145	197,672		37,876
Other Trust Monies Account. (D) <sup>2</sup>	1	249	1,213	1,213		249
	1	230	1,194	1,175		249
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		<b>38,125</b>	<b>195,069</b>	<b>176,819</b>	<b>-</b>	<b>56,375</b>
<b>Total special accounts</b>						
<b>2007-08 estimate actual</b>		<b>33,633</b>	<b>203,340</b>	<b>198,847</b>	<b>-</b>	<b>38,125</b>

(A) = Administered  
(D) = Departmental

1. Legal Authority: FMA Act 1997 s20  
Purpose – for the receipt of monies following a judgement or settlement, under the Health and Other Services Compensation Act 1995.
2. Legal Authority: FMA Act 1997 s20.  
Purpose – for the expenditure of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth

### 3.1.6 Estimates of variations to Average Staffing Level

Changes in Average Staff Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in agency PB Statements in each Outcome Resourcing Table.

**Table 3.1.2: Average Staffing Level (ASL)**

	2008-09 Budget	2008-09 Revised	Variation
<b>Outcome 1</b>			
Improving Australia's health through payments and information	5,286	5,201	(85)



## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

An analysis of Medicare Australia's budgeted departmental financial statements is provided below.

#### **Budgeted departmental statement of financial performance (see Table 3.2.1)**

Medicare Australia is budgeting for a breakeven result for 2008-09, compared to an actual 2007-08 result of a \$6.3m loss. The departmental revenue estimate for 2008-09 is \$696.0m which is an increase of \$4.9m from the 2008-09 Budget.

The key revenue movement from the 2008-09 Budget is new expense measures totalling \$2.7m, appropriation reductions of \$5.4m for changes in Medicare service volumes and an increase in contract revenue of \$8.1m.

#### **Budgeted departmental statement of financial position (see Table 3.2.2)**

There are no material changes to the net asset position from the 2008-09 Budget.

Financial assets have increased by \$12.9m to \$166.0m from the 2008-09 Budget. The main increases were in accrued revenues (\$3.5m), receivables (\$5.8m), and cash and cash equivalents (\$3.6m).

Non-financial assets have fallen by \$17.9m from the 2008-09 Budget, mainly as a result of a decrease in infrastructure, plant and equipment asset of \$5.8m to \$2.0m, as well as a decrease in intangibles by \$13.3m to \$51.3m.

Employee provisions remain the main liability, increasing by \$5.8m to \$96.8m since the 2008-09 Budget.

### 3.2.2 Budgeted financial statements

#### Departmental financial statements

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	599,022	605,150	616,534	643,817	678,089
Goods and services	90,676	89,713	67,661	61,284	60,505
Rents	818	800	800	800	800
<b>Total revenue</b>	<b>690,516</b>	<b>695,663</b>	<b>684,995</b>	<b>705,901</b>	<b>739,394</b>
<b>Gains</b>					
Net foreign exchange gains	3	-	-	-	-
Other	530	350	350	350	350
<b>Total gains</b>	<b>533</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>350</b>
<b>Total income</b>	<b>691,049</b>	<b>696,013</b>	<b>685,345</b>	<b>706,251</b>	<b>739,744</b>
<b>EXPENSE</b>					
Employees	349,511	370,785	353,953	369,460	391,278
Suppliers	286,477	285,897	284,044	292,540	305,066
Depreciation and amortisation	47,838	39,331	47,348	44,251	43,400
Write-down of assets and impairment of assets	12,130	-	-	-	-
Net losses from sale of assets	1,061	-	-	-	-
Net foreign exchange losses	3	-	-	-	-
Other	306	-	-	-	-
<b>Total expenses</b>	<b>697,326</b>	<b>696,013</b>	<b>685,345</b>	<b>706,251</b>	<b>739,744</b>
<b>Operating result before Income Tax</b>	<b>(6,277)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Income Tax expense	-	-	-	-	-
<b>Net operating result</b>	<b>(6,277)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>(6,277)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	6,179	8,690	8,690	8,690	8,690
Receivables	162,041	151,111	168,504	176,653	189,450
Accrued revenues	6,189	6,189	6,189	6,189	6,189
Other financial assets					
<b>Total financial assets</b>	<b>174,409</b>	<b>165,990</b>	<b>183,383</b>	<b>191,532</b>	<b>204,329</b>
<b>Non-financial assets</b>					
Land and buildings	61,089	68,621	71,968	71,121	64,764
Infrastructure, plant and equipment	2,597	2,047	2,799	2,314	2,128
Heritage and cultural assets	93	93	93	93	93
Inventories					
Intangibles	55,084	51,307	53,319	48,143	46,742
Other	8,890	23,301	8,890	8,890	8,890
<b>Total non-financial assets</b>	<b>127,753</b>	<b>145,369</b>	<b>137,069</b>	<b>130,561</b>	<b>122,617</b>
<b>Total assets</b>	<b>302,162</b>	<b>311,359</b>	<b>320,452</b>	<b>322,093</b>	<b>326,946</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	50,789	50,247	51,605	52,512	55,193
Other payables	15,922	15,338	27,316	24,321	21,326
<b>Total payables</b>	<b>66,711</b>	<b>65,585</b>	<b>78,921</b>	<b>76,833</b>	<b>76,519</b>
<b>Provisions</b>					
Employees	97,057	96,792	92,308	96,037	101,204
Other provisions	7,430	7,430	7,430	7,430	7,430
<b>Total provisions</b>	<b>104,487</b>	<b>104,222</b>	<b>99,738</b>	<b>103,467</b>	<b>108,634</b>
<b>Total liabilities</b>	<b>171,198</b>	<b>169,807</b>	<b>178,659</b>	<b>180,300</b>	<b>185,153</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	143,702	154,290	154,531	154,531	154,531
Reserves	24	24	24	24	24
Retained surpluses or accumulated deficits	(12,762)	(12,762)	(12,762)	(12,762)	(12,762)
<b>Total equity</b>	<b>130,964</b>	<b>141,552</b>	<b>141,793</b>	<b>141,793</b>	<b>141,793</b>
<b>Current assets</b>	<b>183,299</b>	<b>189,291</b>	<b>192,273</b>	<b>200,422</b>	<b>213,219</b>
<b>Non-current assets</b>	<b>118,863</b>	<b>122,068</b>	<b>128,179</b>	<b>121,671</b>	<b>113,727</b>
<b>Current liabilities</b>	<b>138,009</b>	<b>136,888</b>	<b>144,024</b>	<b>145,346</b>	<b>149,259</b>
<b>Non-current liabilities</b>	<b>33,189</b>	<b>32,919</b>	<b>34,635</b>	<b>34,954</b>	<b>35,894</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	91,605	89,532	85,036	60,133	57,914
Appropriations	582,885	615,677	593,744	633,824	664,888
Net GST Received	996	-	-	-	-
Other cash received	-	800	800	800	800
<b>Total cash received</b>	<b>675,486</b>	<b>706,009</b>	<b>679,580</b>	<b>694,757</b>	<b>723,602</b>
<b>Cash used</b>					
Employees	338,124	372,472	360,244	367,745	386,329
Suppliers	290,091	284,667	280,529	289,269	301,817
<b>Total cash used</b>	<b>628,215</b>	<b>657,139</b>	<b>640,773</b>	<b>657,014</b>	<b>688,146</b>
<b>Net cash from or (used by) operating activities</b>	<b>47,271</b>	<b>48,870</b>	<b>38,807</b>	<b>37,743</b>	<b>35,456</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	54,435	56,947	39,048	37,743	35,456
<b>Total cash used</b>	<b>54,435</b>	<b>56,947</b>	<b>39,048</b>	<b>37,743</b>	<b>35,456</b>
<b>Net cash from or (used by) investing activities</b>	<b>(54,435)</b>	<b>(56,947)</b>	<b>(39,048)</b>	<b>(37,743)</b>	<b>(35,456)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	8,228	10,588	241	-	-
<b>Total cash received</b>	<b>8,228</b>	<b>10,588</b>	<b>241</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>8,228</b>	<b>10,588</b>	<b>241</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>1,064</b>	<b>2,511</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	5,115	6,179	8,690	8,690	8,690
<b>Cash at the end of the reporting period</b>	<b>6,179</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)**

	Accumulated results	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	(12,762)	24	-	143,702	130,964
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>(12,762)</b>	<b>24</b>	<b>-</b>	<b>143,702</b>	<b>130,964</b>
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	10,588	10,588
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,588</b>	<b>10,588</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>(12,762)</b>	<b>24</b>	<b>-</b>	<b>154,290</b>	<b>141,552</b>

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity**

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Revenue					
Taxation					
<i>Total taxation</i>	-	-	-	-	-
Non-taxation					
<i>Total non-taxation</i>	-	-	-	-	-
<b>Total revenues administered on behalf of Government</b>	-	-	-	-	-
Gains					
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	1,401	5,442	3,742	-	-
<b>Total expenses administered on behalf of Government</b>	<b>1,401</b>	<b>5,442</b>	<b>3,742</b>	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	-	1,266	501	-	-
<b>Total financial assets</b>	-	<b>1,266</b>	<b>501</b>	-	-
<b>Total assets administered on behalf of Government</b>	-	<b>1,266</b>	<b>501</b>	-	-
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Grants	1,401	1,266	501	-	-
<b>Total payables</b>	<b>1,401</b>	<b>1,266</b>	<b>501</b>	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities administered on behalf of Government</b>	<b>1,401</b>	<b>1,266</b>	<b>501</b>	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Grant payments	-	5,049	4,507	501	-
<b>Total cash used</b>	-	<b>5,049</b>	<b>4,507</b>	<b>501</b>	-
<b>Net cash from or (used by) operating activities</b>	-	<b>(5,049)</b>	<b>(4,507)</b>	<b>(501)</b>	-
<b>Net increase or (decrease) in cash held</b>	-	(5,049)	(4,507)	(501)	-
Cash at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- appropriations	-	5,049	4,507	501	-
<b>Cash at end of reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.



### **3.2.3 Notes to the financial statements**

The financial statements reflect the entries to the Central Budget Management System (CBMS) as at November 2008.

#### **Basis of accounting**

Medicare Australia's budget statements have been prepared in accordance with the Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other Finance guidelines.

Assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.

Revenues and expenses are recognised in the Income Statement when and only when the flow or consumption or loss of economic benefits can be reliably measured.

## PORTFOLIO GLOSSARY

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The

	Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Intermediate outcomes	More specific medium-term impacts (for example, trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can

## Glossary

	at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. ( <i>see outcomes</i> )
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Output groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.

Special Account	<p>Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (<i>Financial Management and Accountability (FMA) Act 1997</i>, subsection 20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 20 FMA Act) or through an Act of Parliament (referred to in section 21 of the FMA Act).</p>
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>