NATIONAL COMPETITION COUNCIL

Section 1: Overview, variations and measures

OVERVIEW

There has been no change to the overview included in the *2003-04 Portfolio Budget Statements* (page 213).

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Measures

The National Competition Council (NCC) has no measures since the 2003-04 Budget.

Other variations to appropriations

The NCC is seeking additional price of outputs funding of $0.029 million for Comcover supplementation.

Map 2: Outcomes and output groups for the agency

National Competition Council

President: Dr Wendy Craik

Overall outcome

Strong, sustainable economic growth and the improved wellbeing of Australians

Outcome 1

The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community

Total price of outputs: $3.9 million
Agency outcomes appropriation: $3.8 million

Output Group 1.1

National Competition Council

Output 1.1.1

Advice provided to governments on competition policy and infrastructure access issues

Output 1.1.2

Clear, accessible public information on competition policy

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2: Appropriation Bill (No. 3) 2003-04

	2002-03 available $'000	2003-04 budget $'000	2003-04 revised $'000	Additional estimates $'000	Reduced estimates $'000
AGENCY OUTPUTS					
Outcome 1					
The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community	3,604	3,818	3,847	29	-
Total	3,604	3,818	3,847	29	-

SUMMARY OF STAFFING CHANGES

Table 1.4: Average staffing level (ASL)

	2003-04 budget	2003-04 revised	variation
Outcome 1			
The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community	20	20	-
Total	20	20	-

VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS

Table 1.5: Changes to net annotated appropriations (Section 31) receipts

	2003-04 total approp budget $'000	2003-04 total approp revised $'000	Receipts from independent sources budget $'000	Receipts from independent sources revised $'000	Variation in non-govt revenue $'000
Outcome 1					
The achievement of effective and fair competition reforms and better use of Australia's infrastructure for the benefit of the community	3,818	3,847	32	32	-
Total	3,818	3,847	32	32	-

AGENCY REVENUES

Table 1.6: Agency revenues

	2003-04 budget estimate $'000	2003-04 revised estimate $'000
ESTIMATED AGENCY REVENUES		
Non-appropriation agency revenues		
Agency section 31 receipts	32	32
Total non-appropriation agency revenues	32	32
Appropriation revenue	3,818	3,847
Total estimated agency revenues	3,850	3,879

Section 2: Revisions to outcomes and outputs

OUTCOMES AND OUTPUT GROUPS

The National Competition Council (NCC) has not made any changes to its outcome or outputs since the *2003-04 Portfolio Budget Statements*.

Output cost attribution

The $0.2 million attributed to the output — clear, accessible public information on competition policy — primarily covers direct costs of these activities. Expenditure on this output is small in total and as a proportion of the Council's total budget. The formal allocation of overheads would not make a material difference to the Council's budget. The Council has concluded that it is not cost effective to allocate overheads to this output.

Table 2.1: Total resources for Outcome 1

	2003-04 budget estimate $'000	2003-04 revised estimate $'000
Agency appropriations		
Output Group 1.1 - National Competition Council		
Output 1.1.1 - Advice provided to governments on competition policy and infrastructure access issues	3,618	3,645
Output 1.1.2 - Clear, accessible public information on competition policy	200	202
Total revenues from government (appropriations) contributing to price of agency outputs	3,818	3,847
Revenue from other sources		
Other	32	32
Total revenue from other sources	32	32
Total price from agency outputs (Total revenues from government and from other sources)	3,850	3,879
Total estimated resourcing (Total price of outputs and administered appropriations)	3,850	3,879

	2003-04	2003-04
Average staffing level (number)	20	20

Revised performance information and level of achievement – 2003-04

The NCC has not made any changes to its performance information since the *2003-04 Portfolio Budget Statements*.

Section 3: Budgeted financial statements

The budgeted financial statements will form the basis of the financial statements that will appear in the National Competition Council's (NCC) 2003-04 Annual Report and form the basis for the Council's input into the Whole of Government Accounts. The financial statements should be read in conjunction with the accompanying notes.

The budgeted financial statements have been prepared in accordance with the goods and services tax (GST) accounting guidelines of the Urgent Issues Group (UIG) of the Australian Accounting Standards Board. The UIG consensus requires that expenses and assets be accounted for net of recoverable GST, revenues be accounted for net of GST payable, and that cash flows and accounts payable and receivable be reported gross. Appropriations are thus net of recoverable GST amounts.

AGENCY FINANCIAL STATEMENTS

Budgeted agency statement of financial performance

This statement provides a picture of the expected financial results for the NCC by identifying full accrual expenses and revenues. It highlights whether the NCC is operating at a sustainable level.

Budgeted agency statement of financial position

This statement shows the financial position of the NCC. It enables decision-makers to track the management of the NCC's assets and liabilities.

Budgeted agency statement of cash flows

This statement identifies expected cash flows from operating activities, investing activities and financing activities.

Agency capital budget statement

This statement shows all proposed capital expenditure funded through the Budget as appropriations or from internal sources.

Agency non-financial assets — summary of movement

This statement shows the movement in NCC's non-financial assets over the budget year 2003-04.

Table 3.1: Budgeted Agency Statement of Financial Performance (for the period ended 30 June)

	2002-03 actual $'000	2003-04 revised budget $'000	2004-05 forward estimate $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000
REVENUES					
Revenues from ordinary activities					
Revenues from government	3,604	3,847	3,867	3,953	4,035
Interest	8	-	-	-	-
Other	192	32	33	33	34
Total revenues from ordinary activities	3,804	3,879	3,900	3,986	4,069
EXPENSES					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	1,849	2,187	2,205	2,256	2,289
Suppliers	1,542	1,633	1,637	1,673	1,724
Depreciation and amortisation	57	59	58	57	56
Total expenses from ordinary activities (excluding borrowing costs expense)	3,448	3,879	3,900	3,986	4,069
Operating surplus or deficit from ordinary activities	356	-	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	356	-	-	-	-

Table 3.2: Budgeted Agency Statement of Financial Position (as at 30 June)

	2002-03 actual $'000	2003-04 revised budget $'000	2004-05 forward estimate $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000
ASSETS					
Financial assets					
Cash	450	504	517	527	540
Receivables	80	80	80	80	80
Total financial assets	530	584	597	607	620
Non-financial assets					
Land and buildings	129	129	129	129	129
Infrastructure, plant and equipment	88	34	20	10	-
Other	6	5	6	6	3
Total non-financial assets	223	168	155	145	132
Total assets	753	752	752	752	752
LIABILITIES					
Provisions					
Employees	416	416	416	416	416
Total provisions	416	416	416	416	416
Payables					
Suppliers	192	192	192	192	192
Total payables	192	192	192	192	192
Total liabilities	608	608	608	608	608
EQUITY					
Parent equity interest					
Retained surpluses or accumulated deficits	144	144	144	144	144
Total parent equity interest	144	144	144	144	144
Total equity	144	144	144	144	144
Current liabilities	234	234	234	234	234
Non-current liabilities	374	374	374	374	374
Current assets	530	589	603	613	623
Non-current assets	223	163	149	139	129

Table 3.3: Budgeted Agency Statement of Cash Flows (for the period ended 30 June)

	2002-03 actual $'000	2003-04 revised budget $'000	2004-05 forward estimate $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,604	3,847	3,867	3,953	4,035
Interest	8	-	-	-	-
Other	154	32	33	33	34
Total cash received	3,766	3,879	3,900	3,986	4,069
Cash used					
Employees	2,077	2,190	2,199	2,253	2,282
Suppliers	1,505	1,630	1,643	1,678	1,729
Total cash used	3,582	3,820	3,842	3,931	4,011
Net cash from/(used by) operating activities	184	59	58	55	58
INVESTING ACTIVITIES					
Cash used					
Purchase of property,plant and equipment	129	5	45	45	45
Total cash used	129	5	45	45	45
Net cash from/(used by) investing activities	(129)	(5)	(45)	(45)	(45)
FINANCING ACTIVITIES					
Cash used					
Capital use charge paid	16	-	-	-	-
Total cash used	16	-	-	-	-
Net cash from/(used by) financing activities	(16)	-	-	-	-
Net increase/(decrease) in cash held	39	54	13	10	13
Cash at the beginning of the reporting period	411	450	504	517	527
Cash at the end of the reporting period	450	504	517	527	540

Table 3.4: Agency Capital Budget Statement

	2002-03 actual $'000	2003-04 revised budget $'000	2004-05 forward estimate $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by agency resources	129	5	45	45	45
Total	129	5	45	45	45

Table 3.5: Agency Non-financial Assets — Summary of Movement (Budget year 2003-04)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Carrying amount at the start of year	129	-	-	88	-	-	-	217
Additions	-	-	-	5	-	-	-	5
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	(59)	-	-	-	(59)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	129	-	-	34	-	-	-	163
Total additions								
Self funded	-	-	-	5	-	-	-	5
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	5	-	-	-	5

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The financial statements have been prepared on an accrual basis in accordance with the historical cost convention.