PART C

AGENCY ADDITIONAL ESTIMATES STATEMENTS

THE TREASURY

Section 1: Overview, variations and measures

DEPARTMENT OVERVIEW

There has been no change to the overview included in the *2004-05 Portfolio Budget Statements* (page 9).

Map 2: Outcomes and output groups

The Treasury
Secretary: Dr Ken Henry

Total price of outputs:	$172.3 million
Departmental outcomes appropriation:	$122.3 million
Total administered appropriations:	$36,310.1 million

Overall outcome

Strong, sustainable economic growth and the improved wellbeing of Australians

Outcome 1

Sound macroeconomic environment

Total price of outputs:	$26.6 million
Dept outputs appropriation:	$22.9 million
Administered appropriations:	$19.5 million

Output Group 1.1

Macroeconomic

- Output 1.1.1: Domestic economic policy advice and forecasting
- Output 1.1.2: International economic policy advice and assessment

Outcome 2

Effective government spending and taxation arrangements

Total price of outputs:	$56.6 million
Dept outputs appropriation:	$55.1 million
Administered appropriations:	$36,118.5 million

Output Group 2.1

Fiscal

- Output 2.1.1: Budget policy advice and coordination
- Output 2.1.2: C'wealth - State financial policy advice
- Output 2.1.3: Industry, environment and social policy advice

Output Group 2.2

Revenue

- Output 2.2.1: Taxation and income support policy advice

Outcome 3

Well functioning markets

Total price of outputs:	$89.1 million
Dept outputs appropriation:	$44.3 million
Administered appropriations:	$172.1 million

Output Group 3.1

Markets

- Output 3.1.1: Foreign investment policy advice and administration
- Output 3.1.2: Financial system and corporate governance policy advice
- Output 3.1.3: Competition and consumer policy advice
- Output 3.1.4: Actuarial services
- Output 3.1.5: Circulating coin and like products

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

The Treasury is seeking $13.9 million in departmental outputs through Appropriation Bill (No. 3) 2004-05 for the Review of Aspects of Income Self-Assessment ($1.6 million), the National Consumer and Financial Literacy Foundation ($4.2 million), the National Consumer and Financial Literacy Information Programme ($8.0 million), and revised parameters ($0.2 million) less an adjustment to the Comcover premium ($0.06 million).

The Treasury is also seeking $3.3 million in departmental and administered outputs through Appropriation Bill (No. 4) 2004-05 for the National Consumer and Financial Literacy Foundation ($0.8 million — departmental), the additional $7,000 First Home Owners Scheme ($2.3 million — administered), and commitments to the European Bank for Reconstruction and Development ($0.2 million — administered).

The Treasury has identified departmental savings of $0.4 million in relation to previous year's outputs and administered savings of $0.05 million in relation to revised parameters.

In addition, the Treasury has other variations to appropriations in departmental funding for the transfer of responsibilities for the administration of product safety and related consumer information functions to the Australian Competition and Consumer Commission (ACCC) of $0.7 million.

Measures

Outcome 1 — Sound macroeconomic environment

	2004-05 $'000	2005-06 $'000	2006-07 $'000	2007-08 $'000
Australian overseas missions - improved security	-	1	-	4
Australian overseas missions - improved security (*Related capital*)	-	-	25	100

Outcome 2 — Effective government spending and taxation arrangements

	2004-05 $'000	2005-06 $'000	2006-07 $'000	2007-08 $'000
Review of Aspects of Income Self-Assessment	1,600	2,100	-	-

Outcome 3 — Well functioning markets

	2004-05 $'000	2005-06 $'000	2006-07 $'000	2007-08 $'000
National Consumer and Financial Literacy Foundation	4,200	5,100	5,200	5,300
National Consumer and Financial Literacy Foundation (*Related capital*)	800	-	-	-
National Consumer and Financial Literacy Information Programme	8,000	8,000	-	-

Other variations to appropriations

	2004-05 $'000	2005-06 $'000	2006-07 $'000	2007-08 $'000
Adjustment to Comcover premium(1)	(59)	-	-	-
Parameter adjustment(1)	203	-	-	-
Transfer of Consumer Safety and related Consumer Information Programmes from the Treasury to the ACCC(2)	(664)	(972)	(994)	(1,015)

(1) This is a cross outcome variation and will be allocated between Outcome 1, Outcome 2 and Outcome 3.
(2) This variation relates to Outcome 3.

MEASURES — TREASURY SUMMARY

Table 1.1: Summary of measures since the 2004-05 Budget

Measure	Outcome	Output Groups affected	2004-05 appropriations budget $'000			2005-06 appropriations forward estimate $'000			2006-07 appropriations forward estimate $'000			2007-08 appropriations forward estimate $'000		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Australian overseas missions - improved security	1	1.1	-	-	-	-	1	1	-	-	-	-	4	4
Australian overseas missions - improved security (*Related capital*)	1	1.1	-	-	-	-	-	-	-	25	25	-	100	100
Review of Aspects of Income Self-Assessment	2	2.2	-	1,600	1,600	-	2,100	2,100	-	-	-	-	-	-
National Consumer and Financial Literacy Foundation	3	3.1	-	4,200	4,200	-	5,100	5,100	-	5,200	5,200	-	5,300	5,300
National Consumer and Financial Literacy Foundation (*Related capital*)	3	3.1	-	800	800	-	-	-	-	-	-	-	-	-
National Consumer and Financial Literacy Information Programme	3	3.1	-	8,000	8,000	-	8,000	8,000	-	-	-	-	-	-

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2: Appropriation Bill (No. 3) 2004-05

	2003-04 available $'000	2004-05 budget (1) $'000	2004-05 budget (2) $'000	2004-05 revised budget $'000	Additional estimates $'000	Reduced estimates $'000
ADMINISTERED ITEMS						
Outcome 3						
Well functioning markets	10,000	9,000	9,000	9,000	-	-
Total	10,000	9,000	9,000	9,000	-	-
DEPARTMENTAL OUTPUTS						
Outcome 1						
Sound macroeconomic environment	19,321	23,382	23,382	22,926	(456)	-
Outcome 2						
Effective government spending and taxation arrangements	48,943	53,289	53,289	55,121	1,832	-
Outcome 3						
Well functioning markets	31,701	32,393	31,729	44,297	12,568	-
Total	99,965	109,064	108,400	122,344	13,944	-
Total administered and departmental	109,965	118,064	117,400	131,344	13,944	-

(1) Original budget as shown in the *2004-05 Portfolio Budget Statements*.
(2) Original budget as shown in the *2004-05 Portfolio Budget Statements* less section 32 transfers ($0.7 million to the ACCC for the consumer safety and related consumer information functions).

Table 1.3: Appropriation Bill (No. 4) 2004-05

	2003-04 available $'000	2004-05 budget $'000	2004-05 revised $'000	Additional estimates $'000	Reduced estimates $'000
SPECIFIC PAYMENTS TO THE STATES AND TERRITORIES					
Outcome 2					
Effective government spending and taxation arrangements	25,000	16,414	18,710	2,296	-
Outcome 3					
Well functioning markets	155,853	159,799	159,748	-	(51)
Total	180,853	176,213	178,458	2,296	(51)
Non-operating					
Equity injections	11,127	2,165	2,965	800	-
Previous year's outputs	-	5,216	4,816	-	(400)
Administered assets and liabilities	7,430	7,223	7,395	172	-
Total capital	18,557	14,604	15,176	972	(400)
Total	199,410	190,817	193,634	3,268	(451)

SUMMARY OF STAFFING CHANGES

Table 1.4: Average staffing level (ASL)

	2004-05 budget	2004-05 revised	variation(1)
Outcome 1			
Sound macroeconomic environment	134	139	5
Outcome 2			
Effective government spending and taxation arrangements	402	418	16
Outcome 3			
Well functioning markets	298	321	23
Total	834	878	44

(1) Variation is made up of increases in staff numbers due to new measures in addition to a revision of the original estimate.

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

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

	2004-05 total approp budget $'000	2004-05 total approp revised $'000	Receipts from independent sources budget $'000	Receipts from independent sources revised $'000	Variation in non-govt revenue(1) $'000
Outcome 1					
Sound macroeconomic environment	23,382	22,926	719	3,727	3,008
Outcome 2					
Effective government spending and taxation arrangements	53,289	55,121	1,638	1,583	(55)
Outcome 3					
Well functioning markets	32,393	44,297	47,693	44,740	(2,953)
Total	109,064	122,344	50,050	50,050	-

(1) Variation in non-government revenue is due to internal re-allocations.

SUMMARY OF TREASURY SAVINGS

S	Savings from annual appropriations	**$0.051 million**
T	Transfer appropriation monies across outcomes	-
M	Movements of funding between years	-
A	Savings from capital appropriations	**$0.400 million**
Total Treasury savings		**$0.451 million**

The Treasury has identified total savings of $0.451 million. This is represented by administered savings of $0.05 million for funding that is no longer required for Compensation — Companies Regulation expenses as a result of revised parameters and $0.4 million in departmental savings relating to previous year's outputs.

DEPARTMENTAL AND ADMINISTERED REVENUES

Table 1.6: Departmental and administered revenues

	2004-05 budget estimate $'000	2004-05 revised estimate $'000
ESTIMATED DEPARTMENTAL REVENUES		
Non-appropriation departmental revenues		
Goods and services	49,970	48,061
Other	80	1,989
Total non-appropriation departmental revenues	50,050	50,050
Appropriation revenue	109,064	122,344
Total estimated departmental revenues	159,114	172,394
ESTIMATED ADMINISTERED REVENUES		
Non-appropriation administered revenues		
A New Tax System (Commonwealth-State Financial Arrangements) Act 1999	(35,190,000)	(36,040,000)
GST administration fees	582,300	585,922
Housing Loan Insurance Corporation - recoveries from old book stock and premiums	4,152	4,014
Dividends	746,000	694,000
Receipts under the *International Monetary Agreements Act 1947*	29,208	37,453
Royal Australian Mint - monies in excess of requirements	65,519	80,823
Seigniorage payments - Gold Corporation	1,100	1,248
Interest from loans	3,637	3,637
Other	110	(839)
Total non-appropriation administered revenues	(33,757,974)	(34,633,742)
Appropriation revenue	35,837,792	36,310,097
Total estimated administered revenues	2,079,818	1,676,355
Total estimated departmental and administered revenues	2,238,932	1,848,749

ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

Table 1.7: Estimates of expenses from special appropriations

	Outcome affected	2004-05 budget estimate $'000	2004-05 revised estimate $'000
ESTIMATED EXPENSES			
Special appropriations			
International Monetary Agreement Act 1947	1	14,867	357,541
A New Tax System (Commonwealth-State Financial Arrangements) Act 1999	2	792,712	549,792
Superannuation Industry (Supervision) Act 1993	3	-	3,308
Total estimated expenses		807,579	910,641

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.8: Estimated special account flows

		2004-05	2004-05	2004-05	2004-05
	A(1)				
	B(1)	2003-04	2003-04	2003-04	2003-04
		opening balance	receipts	payments	closing balance
		$'000	$'000	$'000	$'000
SPECIAL ACCOUNTS(2)					
Australian Government Actuary		**1,284**	**1,500**	**1,500**	**1,284**
		1,386	1,307	1,409	1,284
Lloyd's Deposit Fund		**2,000**	**180**	**180**	**2,000**
		2,000	180	180	2,000
Royal Australian Mint and Coinage		**11,527**	**95,000**	**95,000**	**11,527**
Trust		5,457	108,062	101,992	11,527
Trustee Companies (ACT) Deposit		**120**	**5**	**5**	**120**
Trust Fund		120	5	5	120
Other Trust Monies		**29**	**-**	**-**	**29**
		31	61	63	29
Total special accounts		**14,960**	**96,685**	**96,685**	**14,960**

(1) The revised opening balance for 2004-05 (reference A) is the same as the final actual closing balance for 2003-04 (reference B). This balance may have changed from that shown in the *2004-05 Portfolio Budget Statements* as the actual for 2003-04 will have been updated to reflect the final budget outcome for the year.
(2) The special accounts are departmental in nature and are governed by the *Financial Management and Accountability Act 1997*.

This table identifies estimates of special account flows and balances. All special accounts appear under Outcome 3.

Section 2: Revisions to outcomes and outputs

OUTCOMES AND OUTPUT GROUPS

The Treasury has not made any changes to its outcomes or outputs since the *2004-05 Portfolio Budget Statements*.

Revised performance information and level of achievement — 2004-05

The variation in funding for Treasury's three outcomes will not affect the performance information since the *2004-05 Portfolio Budget Statements*.

Table 2.1: Total resources for all outcomes

	2004-05 budget estimate $'000	2004-05 revised estimate $'000
Administered appropriations		
Annual appropriations		
Output Group 2.1 - Fiscal		
Australian Capital Territory - special revenue assistance	14,200	14,200
Additional First Home Owners Scheme	2,214	4,510
Output Group 3.1 - Markets		
Compensation - companies regulation	159,799	159,748
Housing Loans Insurance Corporation - payments in respect of insurance claims	9,000	9,000
Special appropriations		
Output Group 1.1 - Macroeconomic		
International Monetary Agreements Act 1947	14,867	19,539
Output Group 2.1 - Fiscal		
A New Tax System (Commonwealth-State Financial Arrangements) Act 1999	35,637,712	36,099,792
Output Group 3.1 - Markets		
Superannuation Industry (Supervision) Act 1993	-	3,308
Total administered appropriations	35,837,792	36,310,097
Departmental appropriations		
Output Group 1.1 - Macroeconomic	23,382	22,926
Output Group 2.1 - Fiscal	14,132	14,382
Output Group 2.2 - Revenue	39,157	40,739
Output Group 3.1 - Markets	32,393	44,297
Total revenues from government (appropriations) contributing to price of departmental outputs	109,064	122,344
Revenue from other sources		
Output Group 1.1 - Macroeconomic	719	3,727
Output Group 2.1 - Fiscal	434	394
Output Group 2.2 - Revenue	1,204	1,141
Output Group 3.1 - Markets	47,693	44,788
Total revenue from other sources	50,050	50,050
Total price of departmental outputs (Total revenues from government and from other sources)	159,114	172,394
Total estimated resourcing (Total price of outputs and administered appropriations)	35,996,906	36,482,491

	2004-05	2004-05
Average staffing level (number)	834	878

Section 3: Budgeted financial statements

A brief analysis of the Treasury's budgeted financial statements is provided below.

Departmental

The Treasury is budgeting towards a breakeven operating result for 2004-05.

The Treasury will have additional net revenues in 2004-05 of $13.3 million. This increase relates mainly to new funding provided to the Treasury for Budget measures (see Table 1.1) offset by reductions of $0.7 million from the transfer of the Consumer Safety and related Consumer Information functions to the Australian Competition and Consumer Commission and $0.06 million for an adjustment to the Comcover premium.

The Treasury will receive an additional $0.8 million in capital injections relating to new budget measures (see Table 1.3).

The Treasury has a sound financial position and currently has sufficient cash to fund ongoing provisions and payables, and asset replacements, as they fall due.

Administered

For constitutional reasons the goods and services tax (GST) is levied by the Australian Government, and can therefore be technically considered Australian Government revenue under the reporting standards. The clear policy intent of the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, however, is that GST is a State tax collected by the Australian Government in an agency capacity. Accordingly, GST related items recorded in the Treasury's administered budget statements, fully offsets GST related items recorded by the Australian Taxation Office so that at a consolidated level the GST is not recorded by the Australian Government.

DEPARTMENTAL FINANCIAL STATEMENTS

Budgeted departmental statement of financial performance

This statement provides a picture of the expected financial results for the Treasury by identifying full accrual expenses and revenues, which indicates the sustainability of the Treasury's finances.

Budgeted departmental statement of financial position

This statement shows the financial position of the Treasury. It helps decision-makers to track the management of assets and liabilities.

Budgeted departmental statement of cash flows

Budgeted cash flows, as reflected in the statement of cash flows, provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental capital budget statement

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded through capital appropriations for additional equity or borrowings, or from funds from internal sources.

Departmental non-financial assets — summary of movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

NOTES OF ADMINISTERED ACTIVITY

Note of budgeted administered financial performance

This note identifies the main revenues and expenses administered on behalf of the Australian Government.

Note of budgeted administered financial position

This note shows the assets and liabilities administered on behalf of the Australian Government.

Note of budgeted administered cash flows

This note shows cash flows administered on behalf of the Australian Government.

Note of administered capital budget statement

This note shows details of planned administered capital expenditure.

Table 3.1: Budgeted departmental statement of financial performance (for the period ended 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
REVENUES					
Revenues from ordinary activities					
Revenues from government	102,370	122,344	120,814	111,924	113,184
Goods and services	44,863	48,061	48,351	48,687	48,561
Interest	236	-	-	-	-
Revenue from sales of assets	37	-	-	-	-
Other revenues	2,301	1,989	1,989	1,989	1,989
Total revenues from ordinary activities	149,807	172,394	171,154	162,600	163,734
EXPENSES					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	83,588	87,046	91,219	92,070	94,592
Suppliers	59,387	79,082	73,342	63,464	60,558
Depreciation and amortisation	4,820	5,658	5,985	6,458	7,976
Write-down of assets	1	-	-	-	-
Value of assets sold	545	-	-	-	-
Total expenses from ordinary activities (excluding borrowing costs expense)	148,341	171,786	170,546	161,992	163,126
Borrowing costs expense	165	158	158	158	158
Operating surplus or (deficit) from ordinary activities	1,301	450	450	450	450
Income tax expense	(990)	(450)	(450)	(450)	(450)
Net surplus or (deficit)	311	-	-	-	-

Table 3.2: Budgeted departmental statement of financial position (as at 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
ASSETS					
Financial assets					
Cash	15,405	15,708	16,667	17,794	18,831
Receivables	20,079	26,028	28,228	28,523	29,973
Total financial assets	35,484	41,736	44,895	46,317	48,804
Non-financial assets					
Land and buildings	6,870	6,647	5,849	5,052	4,884
Infrastructure, plant and equipment	11,192	12,280	13,414	14,342	15,633
Inventories	15,532	15,532	15,532	15,532	15,532
Intangibles	2,086	2,168	2,196	3,560	3,083
Other non-financial assets	9,225	9,188	9,183	8,996	8,627
Total non-financial assets	44,905	45,815	46,174	47,482	47,759
Total assets	80,389	87,551	91,069	93,799	96,563
LIABILITIES					
Interest bearing liabilities					
Leases	2,330	2,330	2,330	2,330	2,330
Total interest bearing liabilities	2,330	2,330	2,330	2,330	2,330
Provisions					
Employees	29,032	27,450	28,267	28,763	29,528
Other provisions	117	117	117	117	117
Total provisions	29,149	27,567	28,384	28,880	29,645
Payables					
Suppliers	6,070	7,042	7,038	6,895	6,613
Other payables	3,276	3,244	3,239	3,076	2,757
Total payables	9,346	10,286	10,277	9,971	9,370
Total liabilities	40,825	40,183	40,991	41,181	41,345
EQUITY[(1)]					
Parent equity interest					
Contributed equity	9,241	17,045	19,755	22,295	24,895
Reserves	6,017	6,017	6,017	6,017	6,017
Retained surpluses or accumulated (deficits)	24,306	24,306	24,306	24,306	24,306
Total parent equity interest	39,564	47,368	50,078	52,618	55,218
Total equity	39,564	47,368	50,078	52,618	55,218
Current assets	54,846	50,924	54,078	55,313	57,431
Non-current assets	25,543	36,627	36,991	38,486	39,132
Current liabilities	23,666	24,026	24,377	24,289	24,026
Non-current liabilities	17,159	16,157	16,614	16,892	17,319

(1) 'Equity' is the residual interest in assets after deduction of liabilities.

Table 3.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	98,037	117,906	118,741	111,630	111,710
Goods and services	28,438	51,221	53,167	53,675	53,560
GST receipts from the Australian Taxation Office	4,504	7,468	7,291	6,316	6,040
Other	78,190	82,406	82,241	85,589	85,485
Total cash received	209,169	259,001	261,440	257,210	256,795
Cash used					
Employees	78,482	88,508	90,402	91,574	93,827
Suppliers	61,298	85,169	80,234	69,495	66,422
Borrowing costs	-	608	608	608	608
Other	63,708	85,586	85,598	88,993	88,879
Total cash used	203,488	259,871	256,842	250,670	249,736
Net cash from/(used by) operating activities	5,681	(870)	4,598	6,540	7,059
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	25	-	-	-	-
Total cash received	25	-	-	-	-
Cash used					
Purchase of property, plant and equipment	4,226	6,608	6,349	7,953	8,622
Total cash used	4,226	6,608	6,349	7,953	8,622
Net cash from/(used by) investing activities	(4,201)	(6,608)	(6,349)	(7,953)	(8,622)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	11,127	7,781	2,710	2,540	2,600
Other	5,003	-	-	-	-
Total cash received	16,130	7,781	2,710	2,540	2,600
Cash used					
Repayments of debt	1,416	-	-	-	-
Dividends paid	5,000	-	-	-	-
Other	5,000	-	-	-	-
Total cash used	11,416	-	-	-	-
Net cash from/(used by) financing activities	4,714	7,781	2,710	2,540	2,600
Net increase/(decrease) in cash held	6,194	303	959	1,127	1,037
Cash at the beginning of the reporting period	9,211	15,405	15,708	16,667	17,794
Cash at the end of the reporting period	15,405	15,708	16,667	17,794	18,831

Table 3.4: Departmental capital budget statement

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
CAPITAL APPROPRIATIONS					
Total equity injections	11,127	2,965	2,710	2,540	2,600
Prior years' output appropriations	-	4,816	-	-	-
Total	11,127	7,781	2,710	2,540	2,600
Represented by					
Purchase of non-current assets	4,226	2,965	2,710	2,540	2,600
Other	6,901	4,816	-	-	-
Total	11,127	7,781	2,710	2,540	2,600
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	2,127	2,965	2,710	2,540	2,600
Funded internally by departmental resources	2,099	3,643	3,639	5,413	6,022
Total	4,226	6,608	6,349	7,953	8,622

Table 3.5: Departmental non-financial assets — Summary of movement (Budget year 2004-05)

	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	-	6,870	-	11,192	-	2,086	-	20,148
Additions	-	755	-	4,883	-	970	-	6,608
Disposals	-	-	-	(3)	-	-	-	(3)
Net revaluation increment / (decrement)	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation / amortisation expense	-	(978)	-	(3,792)	-	(888)	-	(5,658)
Write-off of assets	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	6,647	-	12,280	-	2,168	-	21,095
Total additions								
Self funded	-	755	-	1,918	-	970	-	3,643
Appropriations	-	-	-	2,965	-	-	-	2,965
Total	-	755	-	4,883	-	970	-	6,608

Table 3.6: Note of budgeted financial performance administered on behalf of government (for the period ended 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
REVENUES					
Taxation					
Other taxes, fees and fines	-	(36,040,000)	(37,920,000)	(40,090,000)	(42,290,000)
Total taxation	-	(36,040,000)	(37,920,000)	(40,090,000)	(42,290,000)
Non-taxation					
Revenues from government	33,321,109	36,310,097	38,494,263	39,444,229	41,549,503
Goods and services	541,877	585,922	595,000	608,000	620,160
Interest	8,781	3,637	479	-	-
Dividends	2,264,000	694,000	1,001,000	829,000	890,000
Net foreign exchange gains	440,061	-	-	-	-
Other	106,506	122,699	123,102	125,607	124,572
Total non-taxation	36,682,334	37,716,355	40,213,844	41,006,836	43,184,235
Total revenues administered on behalf of the government	36,682,334	1,676,355	2,293,844	916,836	894,235
EXPENSES					
Grants	34,045,036	1,008,250	1,306,468	187,434	192,690
Borrowing costs	15,310	-	-	-	-
Write-down and impairment of assets	-	(280,000)	(298,000)	(306,000)	(329,000)
Net foreign exchange losses	-	338,002	-	-	-
Other	102,536	31,847	27,795	26,795	26,813
Total expenses administered on behalf of the government	34,162,882	1,098,099	1,036,263	(91,771)	(109,497)

Table 3.7: Note of budgeted financial position administered on behalf of government (as at 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
ASSETS					
Financial assets					
Cash	3,288	3,288	3,288	3,288	3,288
Receivables	1,053,913	(1,976,571)	(2,871,168)	(3,497,538)	(4,181,935)
Investments	15,655,679	15,346,866	15,346,866	15,346,866	15,346,866
Total financial assets	16,712,880	13,373,583	12,478,986	11,852,616	11,168,219
Non-financial assets					
Other non-financial assets	376,762	221,722	2,243	2,227	2,227
Total non-financial assets	376,762	221,722	2,243	2,227	2,227
Total assets administered on behalf of the government	17,089,642	13,595,305	12,481,229	11,854,843	11,170,446
LIABILITIES					
Debt					
Loans	3,882,650	3,952,100	3,949,797	3,948,070	3,946,919
Other	1,002,439	957,560	957,560	957,560	957,560
Total debt	4,885,089	4,909,660	4,907,357	4,905,630	4,904,479
Provisions					
Suppliers	-	797	797	797	797
Other provisions	10,617	(276,322)	(278,746)	(280,250)	(280,250)
Total provisions	10,617	(275,525)	(277,949)	(279,453)	(279,453)
Payables					
Grants	450,483	320,741	221,171	146,910	91,130
Other payables	8,579	3,580	3,580	3,580	3,571
Total payables	459,062	324,321	224,751	150,490	94,701
Total liabilities administered on behalf of the government	5,354,768	4,958,456	4,854,159	4,776,667	4,719,727
Current assets	1,414,692	(1,754,272)	(2,867,723)	(3,494,019)	(4,178,416)
Non-current assets	15,674,950	15,349,577	15,348,952	15,348,862	15,348,862
Current liabilities	150,136	106,371	80,142	60,157	42,410
Non-current liabilities	5,204,632	4,852,085	4,774,017	4,716,510	4,677,317

Table 3.8: Note of budgeted administered cash flows (for the period ended 30 June)

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
OPERATING ACTIVITIES					
Cash received					
Interest	8,781	3,637	479	-	-
Dividends	1,300,000	1,338,000	1,321,000	829,000	890,000
Appropriation receipts	-	36,436,608	38,591,333	39,515,990	41,602,792
Cash from Official Public Account	34,033,498	-	-	-	-
GST input credit receipts	3,293	-	-	-	-
Other	642,548	706,085	716,480	732,728	744,840
Total cash received	35,988,120	38,484,330	40,629,292	41,077,718	43,237,632
Cash used					
Grant payments	33,879,335	1,008,250	1,306,468	187,434	192,690
Cash to Official Public Account	2,368,767	2,047,722	2,037,959	1,561,728	1,634,840
Other	152,491	35,428,358	37,284,865	39,328,556	41,410,102
Total cash used	36,400,593	38,484,330	40,629,292	41,077,718	43,237,632
Net cash from/(used by) operating activities	(412,473)	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Cash from Official Public Account	221,333	231,451	4,803	4,227	3,651
Repayment of advances	-	374,223	219,400	-	-
Other	647,752	-	-	-	-
Total cash received	869,085	605,674	224,203	4,227	3,651
Cash used					
Purchase of equity instruments	-	12,051	4,803	4,227	3,651
Cash to Official Public Account	228,288	374,223	219,400	-	-
Advances to States and Territories	-	219,400	-	-	-
Other	230,701	-	-	-	-
Total cash used	458,989	605,674	224,203	4,227	3,651
Net cash from/(used by) investing activities	410,096	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	-	64,051	14,804	-	-
Total cash received	-	64,051	14,804	-	-
Cash used					
Cash to Official Public Account	-	64,051	14,804	-	-
Total cash used	-	64,051	14,804	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase/(decrease) in cash held	(2,377)	-	-	-	-
Cash at beginning of reporting period	5,665	3,288	3,288	3,288	3,288
Cash at end of reporting period	3,288	3,288	3,288	3,288	3,288

Table 3.9: Note of administered capital budget

	2003-04 actual $'000	2004-05 revised budget $'000	2005-06 forward estimate $'000	2006-07 forward estimate $'000	2007-08 forward estimate $'000
CAPITAL APPROPRIATIONS					
Administered capital	7,211	7,395	4,803	4,227	3,651
Special appropriations	-	351,298	97,070	71,761	53,280
Represented by:					
Other	7,211	358,693	101,873	75,988	56,931
Total	7,211	358,693	101,873	75,988	56,931

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The Treasury's budget statements have been prepared on an accrual basis and 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.

Departmental and administered financial statements

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that departments control (departmental transactions) are separately budgeted for and reported on from transactions departments do not have control over (administered transactions). This ensures that departments are only held accountable for the transactions over which they have control.

Departmental assets, liabilities, revenues and expenses are those items that are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing its goods and services.

Administered items are assets, liabilities, revenues and expenses which are managed by the department on behalf of the Australian Government according to set government directions. Administered expenses include subsidies, grants, and personal benefit payments and administered revenues include taxes, fees, fines and excises.

Royal Australian Mint

The Treasury's departmental budget statements are aggregated to include the financial operations of the Royal Australian Mint (the Mint). Any profit earned by the Mint, taking into account working capital requirements, is returned to the Australian Government.

Seigniorage is collected by the Mint on behalf of the Australian Government. Seigniorage represents the difference between the face value of coinage sold to the Reserve Bank of Australia and its cost of production to the Mint. Seigniorage is treated as an administered item within the Treasury's administered budget statements.