AUSTRALIAN BUREAU OF STATISTICS

Section 1: Overview, variations and measures

AGENCY OVERVIEW

There has been no change to the overview included in the *2004-05 Portfolio Budget Statements* (page 51).

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Measures

The Australian Bureau of Statistics (ABS) has had no measures since the 2004-05 Budget.

Other variations to appropriations

The ABS is seeking additional price of outputs funding of $0.297 million for coverage of indexation adjustments in 2004-05.

Map 2: Outcomes and output groups for the agency

Australian Bureau of Statistics

Statistician: Mr Dennis Trewin

Overall outcome

Strong, sustainable economic growth and the improved wellbeing of Australians

Outcome 1

Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service

Total price of outputs: $288.2 million
Agency outcomes appropriation: $269.9 million

Output Group 1.1

Australian Bureau of Statistics - national statistical service

Output 1.1.1

Economic statistics

Output 1.1.2

Population and social statistics

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

	2003-04 available $'000	2004-05 budget $'000	2004-05 revised $'000	Additional estimates $'000	Reduced estimates $'000
AGENCY OUTPUTS					
Outcome 1					
Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service	250,981	269,558	269,855	297	-
Total	250,981	269,558	269,855	297	-

SUMMARY OF STAFFING CHANGES

Table 1.4: Average staffing level (ASL)

	2004-05 budget	2004-05 revised	variation
Outcome 1			
Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service	2,684	2,684	-
Total	2,684	2,684	-

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 $'000
Outcome 1 Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service	250,981	269,855	17,218	18,368	1,150
Total	250,981	269,855	17,218	18,368	1,150

AGENCY REVENUES

Table 1.6: Agency revenues

	2004-05 budget estimate $'000	2004-05 revised estimate $'000
ESTIMATED AGENCY REVENUES		
Non-appropriation agency revenues		
Goods and services	16,910	18,117
Proceeds from sales of assets	208	151
Other	100	100
Total non-appropriation agency revenues	17,218	18,368
Appropriation revenue	269,558	269,855
Total estimated agency revenues	286,776	288,223

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.8: Estimated special account flows

	A(1)	2004-05	2004-05	2004-05	2004-05
	B(1)	2003-04 opening balance $'000	2003-04 receipts $'000	2003-04 payments $'000	2003-04 closing balance $'000
SPECIAL ACCOUNTS					
Comcare Trust Account(2)		**30**	**-**	**-**	**30**
		30	502	502	30
Other Trust Monies(3)		**62**	**-**	**-**	**62**
		16	122	76	62
Services for other governments and non-agency bodies		**-**	**-**	**-**	**-**
		-	-	-	-
Total special accounts		**92**	**-**	**-**	**92**

(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 that year.

(2) This special account is departmental in nature and is governed by the *Safety Rehabilitation and Compensation Act 1998*.

(3) This special account is departmental in nature and is governed by the *Financial Management and Accountability Act 1997*.

Section 2: Revisions to outcomes and outputs

OUTCOMES AND OUTPUT GROUPS

The Australian Bureau of Statistics (ABS) has not made any changes to its outcome or outputs since the *2004-05 Portfolio Budget Statements*.

Output cost attribution

The ABS allocates indirect and overhead costs to its various programmes under the outputs of either Population and Social Statistics or Economic Statistics. Costs are generally allocated on the basis of Full-time Equivalents (FTEs) or direct effort recording.

Table 2.1: Total resources — Outcome 1

	2004-05 budget estimate $'000	2004-05 revised estimate $'000
Agency appropriations		
Output Group 1.1 - Australian Bureau of Statistics		
Output 1.1.1 - Economic statistics	140,170	140,324
Output 1.1.2 - Population and social statistics	129,388	129,531
Total revenues from government (appropriations)	269,558	269,855
Contributing to price of agency outputs	94%	94%
Revenue from other sources		
Goods and services	16,910	18,117
Proceeds from sale of assets	208	151
Other	100	100
Total revenue from other sources	17,218	18,368
Total price of agency outputs		
(Total revenues from government and from other sources)	286,776	288,223
Total estimated resourcing for Outcome 1		
(Total price of outputs appropriations)	286,776	288,223

	2004-05	2004-05
Average staffing level (number)	2,684	2,684

Revised performance information and level of achievement — 2004-05

The ABS has not made any changes to its performance information since the *2004-05 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 Australian Bureau of Statistics (ABS) 2004-05 Annual Report, and form the basis for the input into the whole-of-government accounts. The financial statements should be read in conjunction with the accompanying notes.

The budgeted financial statements contain estimates prepared in accordance with the requirements of the Australian Government's financial budgeting and reporting framework, including the principles of Australian Accounting Standards and Statements of Accounting Concepts, as well as specific guidelines issued by the Department of Finance and Administration.

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

In the Statement of Financial Performance, the ABS is budgeting for a nil result for 2004-05, following a deficit of $1.6 million in 2003-04. Income from the sales of publications and the provision of statistical services is expected to remain steady in the budget year. Departmental appropriations have risen by nearly $18 million as the ABS prepares for the August 2006 Census, which is its largest statistical collection. In line with Census preparations, employee and supplier expenses have risen by $16.2 million. Both appropriations and expenditure will increase over the next two out-years in line with the five yearly census cycle.

Overall, the statement of financial position provides a consistent picture between the budget and previous financial years. The net asset position remains constant around $54.8 million with only minor movements in total assets and total liabilities.

At the beginning of the budget year, a number of new building leases were signed that included rent-free periods. To spread the effects of the rental savings over the term of the leases, other debt will increase in 2004-05 by nearly $1.5 million and a further $1.5 million in 2005-06. This liability will then be gradually reduced over the remaining lease periods.

As the first pay for the budget year fell on 1 July, there will be a significant decrease in employee provisions ($3 million) to account for the reversal of the salary accrual at the end of 2003-04.

The agency cash flow shows that the healthy cash balance in 2003-04 will continue through to the end of the 2004-05 financial year. Increased expenditure is in line with the build up to the 2006 Census, with cash being provided by increases in departmental appropriations.

AGENCY FINANCIAL STATEMENTS

Budgeted agency statement of financial performance

This statement provides a picture of the expected financial results for the ABS by identifying full accrual expenses and revenues, which highlight whether the ABS is operating at a sustainable level.

Budgeted agency statement of financial position

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

Budgeted agency statement of cash flows

Budgeted cash flows, as reflected in the statement of cash flows, provides 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.

Agency capital budget statement

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

Agency non-financial assets — summary of movement

This statement shows the movement in ABS's non-financial assets during the budget year.

Table 3.1: Budgeted agency 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	250,981	269,855	301,510	387,356	284,616
Goods and services	18,760	18,117	20,387	16,699	18,255
Revenue from sales of assets	229	151	149	142	151
Other revenues	551	100	100	100	100
Total revenues from ordinary activities	270,521	288,223	322,146	404,297	303,122
EXPENSES					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	187,564	191,391	211,972	289,185	199,748
Suppliers	54,036	66,730	79,850	82,402	69,712
Depreciation and amortisation	26,526	25,103	25,643	27,120	28,726
Write-down of assets	3	399	215	915	65
Value of assets sold	320	3	4	9	-
Other expenses	2,903	3,952	2,358	2,689	2,688
Total expenses from ordinary activities (excluding borrowing costs expense)	271,352	287,578	320,042	402,320	300,939
Borrowing costs expense	818	645	532	440	351
Net surplus or (deficit) from ordinary activities	(1,649)	-	1,572	1,537	1,832

Table 3.2: Budget agency 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	12,755	9,684	8,595	20,457	31,269
Receivables	4,746	3,994	4,344	8,317	4,569
Accrued revenues	495	275	309	253	277
Total financial assets	17,996	13,953	13,248	29,027	36,115
Non-financial assets					
Infrastructure, plant and equipment	37,091	34,409	40,488	36,683	30,257
Inventories	42	42	42	42	42
Intangibles	80,196	83,263	84,678	85,471	86,214
Other non-financial assets	7,989	7,607	9,061	6,390	10,899
Total non-financial assets	125,318	125,321	134,269	128,586	127,412
Total assets	143,314	139,274	147,517	157,613	163,527
LIABILITIES					
Interest bearing liabilities					
Loans	10,033	8,846	7,585	6,245	4,821
Leases	949	257	79	25	-
Other interest bearing liabilities	30	1,481	3,383	3,919	3,227
Total interest bearing liabilities	11,012	10,584	11,047	10,189	8,048
Provisions					
Employees	67,392	64,345	69,081	75,313	79,180
Total provisions	67,392	64,345	69,081	75,313	79,180
Payables					
Suppliers	3,856	5,174	6,032	5,757	5,884
Other payables	6,311	4,428	5,042	8,502	10,721
Total payables	77,559	73,947	80,155	89,572	95,795
Total liabilities	88,571	84,531	91,202	99,761	103,843
EQUITY(1)					
Parent equity interest					
Contributed equity	11,497	11,497	11,497	11,497	11,497
Reserves	7,519	7,519	7,519	7,519	7,519
Retained surpluses or accumulated deficits	35,727	35,727	37,299	38,836	40,668
Total parent equity interest	54,743	54,743	56,315	57,852	59,684
Total equity	54,743	54,743	56,315	57,852	59,684
Current assets	26,027	21,602	22,351	35,459	47,056
Non-current assets	117,287	117,672	125,166	122,154	116,471
Current liabilities	44,235	39,282	43,544	48,862	53,393
Non-current liabilities	44,336	45,249	47,658	50,899	50,450

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

Table 3.3: Budgeted agency 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	250,981	269,805	301,461	387,306	284,567
Goods and services	20,274	17,654	20,434	15,392	19,310
Other	7,756	8,981	9,969	10,080	9,221
Total cash received	279,011	296,440	331,864	412,778	313,098
Cash used					
Employees	183,813	194,437	207,235	282,955	195,885
Suppliers	57,462	68,003	80,515	81,105	72,547
Borrowing costs	818	645	531	440	351
Other	7,808	8,793	10,041	10,147	9,112
Total cash used	249,901	271,878	298,322	374,647	277,895
Net cash from/(used by) operating activities	29,110	24,562	33,542	38,131	35,203
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	229	151	149	142	151
Total cash received	229	151	149	142	151
Cash used					
Purchase of property, plant and equipment	26,143	25,875	33,341	25,017	23,093
Total cash used	26,143	25,875	33,341	25,017	23,093
Net cash from/(used by) investing activities	(25,914)	(25,724)	(33,192)	(24,875)	(22,942)
FINANCING ACTIVITIES					
Cash received					
Other	247	-	-	-	-
Total cash received	247	-	-	-	-
Cash used					
Repayments of debt	3,459	722	178	54	25
Other	-	1,187	1,261	1,340	1,424
Total cash used	3,459	1,909	1,439	1,394	1,449
Net cash from/(used by) financing activities	(3,212)	(1,909)	(1,439)	(1,394)	(1,449)
Net increase/(decrease) in cash held	(16)	(3,071)	(1,089)	11,862	10,812
Cash at the beginning of the reporting period	12,771	12,755	9,684	8,595	20,457
Cash at the end of the reporting period	12,755	9,684	8,595	20,457	31,269

Table 3.4: Agency 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	247	-	-	-	-
Total	247	-	-	-	-
Represented by					
Purchase of non-current assets	247	-	-	-	-
Total	247	-	-	-	-
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by agency resources	26,143	25,875	33,341	25,017	23,093
Total	26,143	25,875	33,341	25,017	23,093

Table 3.5: Agency 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	-	-	-	37,091	-	80,196	-	117,287
Additions	-	-	-	8,344	-	17,531	-	25,875
Disposals	-	-	-	(3)	-	-	-	(3)
Net revaluation increment / (decrement)	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	(384)	-	(384)
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation / amortisation expense	-	-	-	(11,023)	-	(14,080)	-	(25,103)
Write-off of assets	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	34,409	-	83,263	-	117,672
Total additions								
Self funded	-	-	-	8,344	-	17,531	-	25,875
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	8,344	-	17,531	-	25,875

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

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

Budgeted agency financial statements

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

Agency assets, liabilities, revenues and expenses in relation to an agency are those that are controlled by the agency. Agency expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Budgeted agency statement of financial performance

Revenues

Appropriations in the accrual budgeting framework

Under the Australian Government's accrual budgeting framework, the ABS is appropriated only for the price of its outputs, which represent the Australian Government's purchase of these agreed outputs.

Revenue from other sources

Revenue is derived from the sale of ABS publications and census data, as well as the provision of user-funded surveys and consultancy work. The amount of revenue earned in any one year is dependent upon the demand for such products and services by government agencies, business and the community.

Other

This category includes resources received free of charge.

Expenses

Employees

This includes wages and salaries, superannuation, provision for annual leave and long service leave, and workers compensation. Employee entitlements are based on leave patterns of ABS employees. Accrued salaries and employer superannuation contributions are based on daily salary expense and the number of days owing at 30 June in each budget year.

Depreciation and amortisation

Depreciable assets are written off over their estimated useful lives. Depreciation is calculated using the straight-line method, which is consistent with the consumption of the service potential of the depreciable assets of the ABS.

Budgeted agency statement of financial position

Non-financial assets

Intangibles

These include software developed in-house.

Inventory

ABS inventory includes publications of statistics both in print and on CD. These levels are expected to remain stable in the out years.

Other

This category includes prepayments.

Debt

Loans

The ABS received a loan of $13.2 million in 2001-02. This loan was used to partially fund the fitout of the ABS's new national office accommodation. Loan repayments will be made over a ten-year period and are being met by the ABS from within its ongoing operational funding levels.

Leases

These include lease incentives in the form of a rent-free period and/or a contribution to fitout costs. Lease incentives are recognised as a liability, which is reduced by allocating lease rental payments between interest, rental expense and reduction of the liability. Rent-free lease periods are taken up as a liability during the rent-free period and amortised over the remaining term of the lease. The full amount of the lease is therefore allocated evenly over the total term of the lease.

Provisions and payables

Employees

The liability for employee entitlements includes provision for annual leave and long service leave. No provision has been made for sick leave, as all sick leave is non-vesting.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows in respect of all employees.

Asset valuation

Australian Government agencies and authorities are required to value property, plant and equipment and other infrastructure assets using the fair value method of valuation. This essentially reflects the current cost the entity would face in replacing that asset.

Capital budget statement

This shows proposed capital expenditure for the ongoing replacement programme of non-financial assets. This asset replacement programme is funded internally.

Purchase of non-financial assets

These include:

- 2004-05 intangibles of $17.5 million, infrastructure, plant and equipment of $8.3 million, which includes fitout to the New South Wales, Queensland and Census offices of $2.5 million;

- 2005-06 intangibles of $15.3 million, infrastructure, plant and equipment of $18.0 million, which includes fitout to the Queensland, Victorian and Census offices of $5.7 million;

- 2006-07 intangibles of $14.8 million, infrastructure, plant and equipment of $10.2 million, which includes fitout to the Australian Capital Territory, South Australian and Tasmanian offices of $4.4 million; and

- 2007-08 intangibles of $15.5 million, infrastructure, plant and equipment of $7.6 million, which includes fitout to the Western Australian office of $0.5 million.