

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014–15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of Administered Funds Between Years

The Parliamentary Budget Office (PBO) does not have any administered funding.

3.1.2 Special Accounts

The PBO does not have any Special Accounts.

3.1.3 Australian Government Indigenous Expenditure

The PBO does not have any Australian Government Indigenous Expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in Agency Resourcing and Financial Statements

There are no material differences between the agency resourcing table and the financial statements.

3.2.2 Analysis of Budgeted Financial Statements

The PBO is budgeting for a surplus of \$1.8 million for 2013–14 and \$0.3 million in 2014–15 as a result of recognising the use of funds from the PBO's special appropriation as revenue to complete its accommodation and information technology projects which will be capitalised rather than expensed.

From 2015–16 onwards the PBO is budgeting for a break-even operating result, after non-appropriation expenses such as depreciation are removed.

The PBO has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due across the forward estimates period.

3.2.3 Budgeted Financial Statements Tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	5,268	5,987	6,077	6,168	6,261
Suppliers	2,015	1,358	1,939	1,486	1,477
Depreciation and amortisation	209	180	200	200	200
Total expenses	7,492	7,525	8,216	7,854	7,938
LESS:					
OWN-SOURCE INCOME					
Other	293	332	332	332	332
Total own-source income	293	332	332	332	332
Net cost of (contribution by) services	7,199	7,193	7,884	7,522	7,606
Revenue from Government	8,774	7,263	7,684	7,322	7,406
Surplus (Deficit) attributable to the Australian Government	1,575	70	(200)	(200)	(200)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss)	1,575	70	(200)	(200)	(200)
Total comprehensive income (loss) attributable to the Australian Government	1,575	70	(200)	(200)	(200)

Note: Impact of Net Cash Appropriation Arrangements

	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	1,784	250	-	-	-
less depreciation/amortisation expenses	209	180	200	200	200
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	1,575	70	(200)	(200)	(200)

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted Departmental Balance Sheet
(as at 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	22	22	22	22	22
Trade and other receivables	2,494	2,519	2,545	2,571	2,598
Total financial assets	2,516	2,541	2,567	2,593	2,620
Non-financial assets					
Buildings - fitout	1,980	1,897	1,814	1,731	1,648
Property, plant and equipment	21	19	17	15	13
Intangibles	1,115	1,270	1,155	1,040	925
Other non-financial assets	51	51	51	51	51
Total non-financial assets	3,167	3,237	3,037	2,837	2,637
Total assets	5,683	5,778	5,604	5,430	5,257
LIABILITIES					
Payables					
Suppliers	1,069	1,069	1,069	1,069	1,069
Other payables	136	136	136	136	136
Total payables	1,205	1,205	1,205	1,205	1,205
Provisions					
Employee provisions	1,258	1,283	1,309	1,335	1,362
Total provisions	1,258	1,283	1,309	1,335	1,362
Total liabilities	2,463	2,488	2,514	2,540	2,567
Net assets	3,220	3,290	3,090	2,890	2,690
EQUITY*					
Retained surplus	3,220	3,290	3,090	2,890	2,690
Total Equity	3,220	3,290	3,090	2,890	2,690

* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014–15)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	3,220	-	-	-	3,220
Adjusted opening balance	3,220	-	-	-	3,220
Comprehensive income					
Surplus (deficit) for the period	70	-	-	-	70
Total comprehensive income	70	-	-	-	70
of which:					
Attributable to the Australian Government	70	-	-	-	70
Estimated closing balance as at 30 June 2015	3,290	-	-	-	3,290
Closing balance attributable to the Australian Government	3,290	-	-	-	3,290

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,368	7,238	7,658	7,296	7,379
Total cash received	9,368	7,238	7,658	7,296	7,379
Cash used					
Employees	5,243	5,962	6,051	6,142	6,234
Suppliers	1,722	1,026	1,607	1,154	1,145
Total cash used	6,965	6,988	7,658	7,296	7,379
Net cash from (used by) operating activities	2,403	250	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	2,403	250	-	-	-
Total cash used	2,403	250	-	-	-
Net cash from (used by) investing activities	(2,403)	(250)	-	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	22	22	22	22	22
Cash and cash equivalents at the end of the reporting period	22	22	22	22	22

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	2,403	250	-	-	-
TOTAL	2,403	250	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,403	250	-	-	-
Total cash used to acquire assets	2,403	250	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2014–15)

	Buildings - fitout \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2014				
Gross book value	2,063	30	1,239	3,332
Accumulated depreciation/amortisation and impairment	(83)	(9)	(124)	(216)
Opening net book balance	1,980	21	1,115	3,116
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	-	-	250	250
Total additions	-	-	250	250
Other movements				
Depreciation/amortisation expense	(83)	(2)	(95)	(180)
Total other movements	(83)	(2)	(95)	(180)
As at 30 June 2015				
Gross book value	2,063	30	1,489	3,582
Accumulated depreciation/amortisation and impairment	(166)	(11)	(219)	(396)
Closing net book balance	1,897	19	1,270	3,186

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the Financial Statements

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

The financial statements have been prepared on an accrual and fair value basis and are in accordance with the historical cost convention, with the exception of employee entitlements.

Budgeted financial statements

Under the Australian Government's accrual budgeting framework, transactions that agencies control (agency transactions) are separately budgeted for and reported from transactions agencies do not have control over (administered transactions).

Agency assets, liabilities, revenue and expenses are those which 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 to the Australian Parliament.

The PBO does not have any administered transactions.

Budgeted comprehensive income statement

Under the net cash appropriation framework the PBO receives an output appropriation to meet budgeted expenses (except depreciation). The output appropriation is recognised in revenue.

The PBO received a special appropriation at the time of establishment of the agency. The special appropriation is recognised in revenue in the year the funds are spent. The associated expense is recognised in the statement of comprehensive income except where the PBO has purchased assets which are recognised in the balance sheet.