

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 2013-14 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program 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 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 \$1.0 million for 2012-13 and \$2.7 million in 2013-14. This is reflective of the establishment phase of the PBO including recognising the use of funds from the PBO's special appropriation as revenue in 2013-14 to complete its accommodation and secure information technology network projects which will be capitalised rather than expensed.

From 2014-15 onwards the PBO is budgeting for a break-even operating result, after non-appropriated expenses such as depreciation are removed.

The PBO has a sound financial position and has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	2,560	5,885	5,899	6,050	6,213
Suppliers	2,704	1,790	1,601	1,955	1,427
Depreciation and amortisation	22	203	203	203	203
Total expenses	5,286	7,878	7,703	8,208	7,843
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	130	131	134	137	140
Total own-source income	130	131	134	137	140
Net cost of (contribution by) services	5,156	7,747	7,569	8,071	7,703
Revenue from Government	6,191	10,493	7,370	7,871	7,512
Surplus (Deficit) attributable to the Australian Government	1,035	2,746	(199)	(200)	(191)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss)	1,035	2,746	(199)	(200)	(191)
Total comprehensive income (loss) attributable to the Australian Government	1,035	2,746	(199)	(200)	(191)

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	153	338	370	402	352
Trade and other receivables	1,728	1,600	1,600	1,600	1,600
Total financial assets	1,881	1,938	1,970	2,002	1,952
Non-financial assets					
Property, plant and equipment	59	1,965	1,852	1,739	1,718
Intangibles	-	810	720	630	540
Total non-financial assets	59	2,775	2,572	2,369	2,258
Total assets	1,940	4,713	4,542	4,371	4,210
LIABILITIES					
Provisions					
Employee provisions	905	932	960	989	1,019
Total provisions	905	932	960	989	1,019
Total liabilities	905	932	960	989	1,019
Net assets	1,035	3,781	3,582	3,382	3,191
EQUITY*					
Retained surplus (accumulated deficit)/ surplus	1,035	3,781	3,582	3,382	3,191
Total Equity	1,035	3,781	3,582	3,382	3,191

* '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 2013-14)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2013					
Balance carried forward from previous period	1,035	-	-	-	1,035
Adjusted opening balance	1,035	-	-	-	1,035
Comprehensive income					
Surplus (deficit) for the period	2,746	-	-	-	2,746
Total comprehensive income	2,746	-	-	-	2,746
of which:					
Attributable to the Australian Government	2,746	-	-	-	2,746
Estimated closing balance as at 30 June 2014	3,781	-	-	-	3,781
Closing balance attributable to the Australian Government	3,781	-	-	-	3,781

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,463	10,621	7,370	7,871	7,512
Other	696	-	-	-	-
Total cash received	5,159	10,621	7,370	7,871	7,512
Cash used					
Employees	2,351	5,858	5,871	6,021	6,183
Suppliers	2,574	1,659	1,467	1,818	1,287
Total cash used	4,925	7,517	7,338	7,839	7,470
Net cash from (used by) operating activities	234	3,104	32	32	42
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	81	2,919	-	-	92
Total cash used	81	2,919	-	-	92
Net cash from (used by) investing activities	(81)	(2,919)	-	-	(92)
FINANCING ACTIVITIES					
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	153	185	32	32	(50)
Cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	153	185	32	32	(50)

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from					
Departmental Appropriation	81	-	-	-	92
Special Appropriation	-	2,919	-	-	-
TOTAL	81	2,919	-	-	92
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	81	2,919	-	-	92
Total cash used to acquire assets	81	2,919	-	-	92

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2013-14)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Investment property	Computer software and intangibles	L&B, IP&E held for sale	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013									
Gross book value			81						81
Accumulated depreciation/amortisation and impairment			(22)						(22)
Opening net book balance	-	-	59	-	-	-	-	-	59
CAPITAL ASSET ADDITIONS									
Estimated expenditure on new or replacement assets									
By purchase - special appropriation			2,019			900			2,919
Total additions	-	-	2,019	-	-	900	-	-	2,919
Other movements									
Depreciation/amortisation expense			(113)			(90)			(203)
Total other movements	-	-	(113)	-	-	(90)	-	-	(203)
As at 30 June 2014									
Gross book value			2,100			900			3,000
Accumulated depreciation/amortisation and impairment			(135)			(90)			(225)
Closing net book balance	-	-	1,965	-	-	810	-	-	2,775

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 and Deregulation.

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). This ensures that agencies are only held fully accountable for the transactions over which they have control.

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 Parliamentary Budget Office 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 receives a special appropriation for the establishment of the agency. The special appropriation is recognised in revenue in the year the funds are spent or committed. 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.