

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2015–16 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 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 entity resourcing and financial statements

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

3.2.2 Analysis of budgeted financial statements

The PBO is budgeting for a surplus of \$0.4 million for 2015-16 as a result of recognising the use of funds from the PBO's special appropriation as revenue to complete projects which will be capitalised rather than expensed.

From 2016-17 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

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
EXPENSES					
Employee benefits	5,987	6,253	6,428	6,604	6,784
Suppliers	1,358	1,697	1,464	1,469	1,890
Depreciation and amortisation	261	261	261	261	261
Total expenses	7,606	8,211	8,153	8,334	8,935
LESS:					
OWN-SOURCE INCOME					
Other	332	342	342	342	342
Total own-source revenue	332	342	342	342	342
Net cost of/(contribution by) services	7,274	7,869	7,811	7,992	8,593
Revenue from Government	7,013	7,958	7,550	7,731	8,332
Surplus/(deficit) attributable to the Australian Government	(261)	89	(261)	(261)	(261)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(261)	89	(261)	(261)	(261)
Total comprehensive income/(loss) attributable to the Australian Government	(261)	89	(261)	(261)	(261)

Note: Impact of net cash appropriation arrangements

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	350	-	-	-
Less depreciation/amortisation expenses	261	261	261	261	261
Total comprehensive income/(loss) - as per the statement of comprehensive income	(261)	89	(261)	(261)	(261)

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	11	11	11	11	11
Trade and other receivables	1,978	2,007	2,037	2,067	2,098
Total financial assets	1,989	2,018	2,048	2,078	2,109
Non-financial assets					
Property, plant and equipment	1,957	1,873	1,789	1,705	1,621
Intangibles	959	1,132	955	778	601
Other non-financial assets	15	15	15	15	15
Total non-financial assets	2,931	3,020	2,759	2,498	2,237
Total assets	4,920	5,038	4,807	4,576	4,346
LIABILITIES					
Payables					
Suppliers	326	326	326	326	326
Other payables	146	146	146	146	146
Total payables	472	472	472	472	472
Provisions					
Employee provisions	1,461	1,490	1,520	1,550	1,581
Total provisions	1,461	1,490	1,520	1,550	1,581
Total liabilities	1,933	1,962	1,992	2,022	2,053
Net assets	2,987	3,076	2,815	2,554	2,293
EQUITY*					
Retained surplus (accumulated deficit)	2,937	3,026	2,765	2,504	2,243
Asset revaluation reserve	50	50	50	50	50
Total equity	2,987	3,076	2,815	2,554	2,293

* '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 2015–16)

	Retained earnings	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2015			
Balance carried forward from previous period	2,937	50	2,987
Adjusted opening balance	2,937	50	2,987
Comprehensive income			
Surplus/(deficit) for the period	89	-	89
Total comprehensive income	89	-	89
of which:			
Attributable to the Australian Government	89	-	89
Estimated closing balance as at 30 June 2016	3,026	50	3,076
Closing balance attributable to the Australian Government	3,026	50	3,076

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	6,984	7,929	7,520	7,701	8,301
Total cash received	6,984	7,929	7,520	7,701	8,301
Cash used					
Employees	5,958	6,224	6,398	6,574	6,753
Suppliers	1,026	1,355	1,122	1,127	1,548
Total cash used	6,984	7,579	7,520	7,701	8,301
Net cash from/(used by) operating activities	-	350	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	-	350	-	-	-
Total cash used	-	350	-	-	-
Net cash from/(used by) investing activities	-	(350)	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	11	11	11	11	11
Cash and cash equivalents at the end of the reporting period	11	11	11	11	11

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement
(for the period ended 30 June)**

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	-	350	-	-	-
TOTAL	-	350	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	350	-	-	-
Total cash used to acquire assets	-	350	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (Budget year 2015–16)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2015			
Gross book value	2,281	1,239	3,520
Accumulated depreciation/amortisation and impairment	(324)	(280)	(604)
Opening net book balance	1,957	959	2,916
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - other	-	350	350
Total additions	-	350	350
Other movements			
Depreciation/amortisation expense	(84)	(177)	(261)
Total other movements	(84)	(177)	(261)
As at 30 June 2016			
Gross book value	2,281	1,589	3,870
Accumulated depreciation/amortisation and impairment	(408)	(457)	(865)
Closing net book balance	1,873	1,132	3,005

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 entities control (entity transactions) are separately budgeted for and reported from transactions entities do not have control over (administered transactions).

Entity assets, liabilities, revenue and expenses are those which are controlled by the entity. Entity expenses include employee and supplier expenses and other administrative costs, which are incurred by the entity 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 appropriation to meet budgeted expenses (except depreciation). This appropriation is recognised as revenue.

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