

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

The PBO does not have any material differences between entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

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.

The increase in Revenue from Government in 2021-22 reflects a triennial increase in the PBO's departmental appropriation, enabling the PBO to respond to increased demand for services in line with the general election cycle.

The PBO is budgeting for a break-even operating result in 2020-21 and across the forward estimates, after non-appropriated expenses such as depreciation are removed.

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

3.2. Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	6,565	7,190	7,234	7,306	7,403
Suppliers	1,518	1,712	2,380	1,800	1,743
Depreciation and amortisation	78	78	78	78	78
Total expenses	8,161	8,980	9,692	9,184	9,224
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	358	365	372	378	385
Total own-source revenue	358	365	372	378	385
Total own-source income	358	365	372	378	385
Net (cost of)/contribution by services	(7,803)	(8,615)	(9,320)	(8,806)	(8,839)
Revenue from Government	8,258	8,537	9,242	8,728	8,761
Surplus/(deficit) attributable to the Australian Government	455	(78)	(78)	(78)	(78)
Total comprehensive income/(loss) attributable to the Australian Government	455	(78)	(78)	(78)	(78)

Note: Impact of net cash appropriation arrangements

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	533	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations (a)	78	78	78	78	78
Total comprehensive income/(loss) - as per the statement of comprehensive income	455	(78)	(78)	(78)	(78)

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	26	26	26	26	26
Trade and other receivables	3,725	3,758	3,758	3,758	3,758
Total financial assets	3,751	3,784	3,784	3,784	3,784
Non-financial assets					
Property, plant and equipment	1,529	1,453	1,375	1,297	1,219
Other non-financial assets	46	46	46	46	46
Total non-financial assets	1,575	1,499	1,421	1,343	1,265
Total assets	5,326	5,283	5,205	5,127	5,049
LIABILITIES					
Payables					
Suppliers	213	213	213	213	213
Other payables	113	113	113	113	113
Total payables	326	326	326	326	326
Provisions					
Employee provisions	2,898	2,931	2,931	2,931	2,931
Total provisions	2,898	2,931	2,931	2,931	2,931
Total liabilities	3,224	3,257	3,257	3,257	3,257
Net assets	2,102	2,026	1,948	1,870	1,792
EQUITY*					
Reserves	30	30	30	30	30
Retained surplus (accumulated deficit)	2,072	1,996	1,918	1,840	1,762
Total equity	2,102	2,026	1,948	1,870	1,792

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2020			
Balance carried forward from previous period	2,072	30	2,102
Adjustment for changes in accounting policies	2	-	2
Adjusted opening balance	2,074	30	2,104
Comprehensive income			
Surplus/(deficit) for the period	(78)	-	(78)
Total comprehensive income	(78)	-	(78)
of which:			
Attributable to the Australian Government	1,996	30	2,026
Estimated closing balance as at 30 June 2021	1,996	30	2,026
Closing balance attributable to the Australian Government	1,996	30	2,026

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	7,741	8,504	9,242	8,728	8,761
Net GST received	24	-	-	-	-
Other	(239)	-	-	-	-
Total cash received	7,526	8,504	9,242	8,728	8,761
Cash used					
Employees	6,311	7,157	7,234	7,306	7,403
Suppliers	1,215	1,347	2,008	1,422	1,358
Other	10	-	-	-	-
Total cash used	7,536	8,504	9,242	8,728	8,761
Net cash from/(used by) operating activities	(10)	-	-	-	-
Net increase/(decrease) in cash held	(10)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	36	26	26	26	26
Cash and cash equivalents at the end of the reporting period	26	26	26	26	26

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

The PBO does not have any planned capital expenditure over the forward estimates.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2020		
Gross book value	2,076	2,076
Accumulated depreciation/amortisation and impairment	(547)	(547)
Opening net book balance	1,529	1,529
Other movements		
Depreciation/amortisation expense	(78)	(78)
Other	2	2
Total other movements	(76)	(78)
As at 30 June 2021		
Gross book value	2,078	2,078
Accumulated depreciation/amortisation and impairment	(625)	(625)
Closing net book balance	1,453	1,453

Prepared on Australian Accounting Standards basis.