

**PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS 2011-12**

TREASURY PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2011-12

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President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2011-12 Additional Estimates for the Treasury portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the additional funding requirements being sought for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Wayne Swan'.

Wayne Swan

Abbreviations and conventions

The following notation may be used:

-	nil
..	not zero, but rounded to zero
*	unquantifiable
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Mr Tony Murcutt in the Department of the Treasury on 02 6263 2111.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

**USER GUIDE
TO THE
PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS**

USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to government outcomes by agencies within the portfolio.

The focus of the PAES differs from the Portfolio Budget Statements in one important aspect. While the PAES include an Agency Resource Statement to inform Parliament of the revised estimate of the total resources available to an agency, the focus of the PAES is on explaining the changes in resourcing since the Budget. As such, the PAES provides information on new measures and their impact on the financial and non-financial planned performance of agencies.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2011-12. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2011-12* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

User guide	
Provides a brief introduction explaining the purpose of the PAES.	
Portfolio overview	
Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.	
Agency Additional Estimates Statements	
A statement (under the name of the agency) for each agency affected by Additional Estimates.	
Section 1: Agency overview and resources	This section details the total resources available to an agency, the impact of any measures since the Budget, and impact on Appropriation Bills No. 3 and No. 4.
Section 2: Revisions to outcomes and planned performance	This section details changes to Government outcomes and/or changes to the planned performance of agency programs.
Section 3: Explanatory tables and budgeted financial statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.

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PORTFOLIO OVERVIEW

TREASURY PORTFOLIO OVERVIEW

There has been no significant change to the portfolio overview, portfolio responsibilities or agency outcomes from that included in the *Portfolio Budget Statements 2011-12* (pages 3-5).

Additional estimates are being sought for the Department of the Treasury, the Australian Bureau of Statistics, the Australian Competition and Consumer Commission, the Australian Taxation Office and the Productivity Commission. Explanations of additional estimates for these agencies are detailed in their respective section in the Portfolio Additional Estimates Statements.

There are no additional estimates for the Australian Office of Financial Management, the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission, the Commonwealth Grants Commission, the Corporations and Markets Advisory Committee, the Inspector-General of Taxation, the National Competition Council, the Office of the Auditing and Assurance Standards Board, the Office of the Australian Accounting Standards Board or the Royal Australian Mint.

Figure 1: Treasury portfolio structure and outcomes



Figure 1: Treasury portfolio structure and outcomes (continued)



PORTFOLIO RESOURCES

Table 1 shows a summary of resources for those agencies that are seeking funding through Appropriation Bills (No. 3 and No. 4) 2011-12.

Table 1: Portfolio resources 2010-11

	Appropriation		Movements		Total
	Bill No. 3 \$'000	Bill No. 4 \$'000	Special \$'000	Receipts \$'000	\$'000
Department of the Treasury					
Administered appropriations	2,002	-	(2,048,365)	5,479,006	3,432,643
Departmental appropriations	4,158	-	-	185	4,343
Total:	6,160	-	(2,048,365)	5,479,191	3,436,986
Australian Bureau of Statistics					
Administered appropriations	-	-	-	-	-
Departmental appropriations	2,813	-	-	23,451	26,264
Total:	2,813	-	-	23,451	26,264
Australian Competition and Consumer Commission					
Administered appropriations	-	-	-	-	-
Departmental appropriations	2,198	-	-	-	2,198
Total:	2,198	-	-	-	2,198
Australian Taxation Office					
Administered appropriations	-	-	85,591	(23,330)	62,261
Departmental appropriations	17,981	12,312	-	46,836	77,129
Total:	17,981	12,312	85,591	23,506	139,390
Productivity Commission					
Administered appropriations	-	-	-	-	-
Departmental appropriations	3,859	-	-	-	3,859
Total:	3,859	-	-	-	3,859

**AGENCY ADDITIONAL ESTIMATES
STATEMENTS**

DEPARTMENT OF THE TREASURY

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DEPARTMENT OF THE TREASURY

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Department of the Treasury (the Treasury) from that outlined in the *Portfolio Budget Statements 2011-12* (pages 15-17).

As a result of Administrative Arrangements Orders of 14 December 2011, the housing supply policy function transferred from the Department of Sustainability, Environment, Water, Population and Communities to the Treasury.

The Treasury is seeking an additional \$4.2 million in departmental outputs through Appropriation Bill (No. 3) 2011-12. This relates to an additional \$2.7 million for the Clean Energy Finance Corporation and \$1.2 million for the Clean Energy Future – Supporting Energy Markets – Energy Security Fund measures as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12*, and an additional \$0.3 million for the Stronger Super – Superstream measure that was agreed after the 2011-12 Mid-Year Economic and Fiscal Outlook.

The Stronger Super – Superstream measure is designed to enhance the back office of the superannuation system and the make the process of everyday transactions easier, cheaper and faster.

The Treasury is also seeking an additional \$2.0 million in administered items through Appropriation Bill (No. 4) 2011-12. This relates to the carryover of funds unspent from 2010-11 for the Education Tax Refund information campaign.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Department of the Treasury resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimates as at Budget 2011-12 \$'000	Proposed Additional Estimates 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services				
Departmental				
Prior year departmental carried forward	75,474	-	75,474	72,164
Departmental appropriation ²	158,061 ¹	4,158 ³	162,219	167,728
Receipts from other sources (s31)	12,610	185	12,795	8,370
Total departmental	246,145	4,343	250,488	248,262
Administered expenses				
Outcome 1	16,685	2,002 ³	18,687	15,916
Total administered expenses	16,685	2,002	18,687	15,916
Total ordinary annual services	A 262,830	6,345	269,175	264,178
Other services				
Departmental non-operating				
Equity injections	583	-	583	1,395
Total	583	-	583	1,395
Administered non-operating				
Administered assets and liabilities Outcome 1	62,708	-	62,708	162,265
Total	62,708	-	62,708	162,265
Total other services	B 63,291	-	63,291	163,660
Total available annual appropriations (A + B)	326,121	6,345	332,466	427,838

Table 1.1: Department of the Treasury resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

	Estimates as at Budget ⁺ 2011-12 \$'000	Proposed Additional Estimates = 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Special appropriations				
<i>Federal Financial Relations Act 2009 International Monetary Agreements Act 1947</i>	68,062,520	(998,378)	67,064,142	63,441,516
<i>Car Dealership Financing Guarantee Appropriation Act 2009</i>	2,379,146	(1,048,987)	1,330,159	557,153
<i>Asian Development Bank (Additional Subscription) Act 2009</i>	-	-	-	4,922
<i>Superannuation Industry (Supervision) Act 1993</i>	15,812	(1,000)	14,812	18,687
	-	-	-	54,994
Total special appropriations	C 70,457,478	(2,048,365)	68,409,113	64,077,272
Total appropriations excluding special accounts (A+B+C)	70,783,599	(2,042,020)	68,741,579	64,505,110
Special accounts				
Opening balance	2,151	-	2,151	2,223
Appropriation receipts	-	-	-	-
Non-appropriation receipts to special accounts	16,540,180	5,479,006	22,019,186	18,402,547
Total special account	D 16,542,331	5,479,006	22,021,337	18,404,770
Total resourcing (A+B+C+D)	87,325,930	3,436,986	90,762,916	82,909,880
Less receipts from other sources credited to special accounts	1,629	-	1,629	
Total net resourcing for the Treasury	87,324,301	3,436,986	90,761,287	82,909,880

1 Includes the transfer of \$0.989 million under section 32 of the *Financial Management and Accountability Act 1997* from the Department of Sustainability, Environment, Water, Population and Communities.

2 Includes \$6.5 million in 2011-12 for the departmental capital budget (also refer to Table 3.2.5).

3 Appropriation Bill (No. 3) 2011-12.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget.

Table 1.2: Agency Measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Australian Financial Centre					
	Taskforce Secretariat	1.1	165	-	-
Clean Energy Finance Corporation					
		1.1	2,667	-	-
Clean Energy Future					
	- Supporting Energy Markets - Energy Security Council	1.1	-	-	-
	- Supporting Energy Markets - Energy Security Fund	1.1	1,194	799	1,971
	1,989				
Establishment of a Tax Studies Institute					
		1.1	-	1,000	1,000
	1,000				
Grant to Australasian Compliance Institute					
		1.1	20	20	25
	25				
	Stronger Super - Superstream(a)	1.1	297	536	216
	162				
Clean Energy Future					
	- Putting a Price on Pollution - revenue from sale of carbon units	1.4	-	-	-
Fringe Benefits Tax					
	- reform of living-away-from-home allowances and benefits	1.4	-	(2,000)	(3,000)
	(3,000)				
	- reform of the car fringe benefits rules - transitional change	1.4	-	-	-
GST					
	- treatment of appropriations	1.4	-	-	-
	- treatment of new residential premises: minor changes	1.4	-	-	-
	-				
	GST-free health supplies	1.4	-	-	-
Extractive Industry Activities - Independent Expert Scientific Committee and National Partnership Agreement					
		1.10	10,000	20,000	20,000
	20,000				
Health and Hospitals Fund					
	- Northern Territory BreastScreen Australia project	1.10	(1,200)	(600)	1,200
	600				
	- Royal Hobart Hospital - bring forward of funding	1.10	-	(38,606)	(50,000)
	(50,000)				
	Majura Parkway - upgrade	1.10	9,500	-	50,000
	64,500				
	Nation Building - modification	1.10	1,375,940	(1,218,940)	(62,000)
	(50,000)				
	Nation Building Programs 1 and 2 - reallocation of funding	1.10	(9,500)	-	-
	(114,500)				

Table 1.2: Agency Measures since Budget (continued)

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures (continued)					
National Health Reform Agreement - revised funding arrangements	1.10	-	-	-	21,000
Natural Disaster Recovery and Rebuilding					
- Adelong Pool	1.10	-	-	-	-
- Victorian Interest Rate Subsidy - Assistance to Businesses in Victoria	1.10	4,500	800	800	700
Positron Emission Tomography (PET) services at Westmead Hospital	1.10	(1,300)	(1,300)	(1,300)	(1,300)
Schools - Reward Payments for School Improvement - revised implementation	1.10	-	(21,335)	(49,900)	(27,775)
Stronger Futures in the Northern Territory - Tackling Alcohol Abuse	1.10	-	-	-	-
Tasmanian Forest Industry - adjustment package	1.10	50,000	7,000	7,000	7,000
Trade Training Centres in Schools Program - rephasing	1.10	-	-	(17,400)	-

Note: Details of these measures are in the *Mid-Year Economic and Fiscal Outlook 2011-12*.

(a) Measure that impacts on Appropriation Bill No. 3 that was agreed after the Mid-Year Economic and Fiscal Outlook.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates resulting from new measures since the 2011-12 Budget. Table 1.4 details the additional estimates resulting from other variations since the 2011-12 Budget.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Clean Energy Finance Corporation	1.1	2,667	-	-	-
Clean Energy Future					
- Supporting Energy Markets - Energy Security Fund	1.1	1,194	799	1,971	1,989
Stronger Super - Superstream	1.1	297	536	216	162
Net impact on estimates for Outcome 1 (departmental)		4,158	1,335	2,187	2,151

Note: These figures represent the fiscal balance impact.

Table 1.4: Additional estimates and variations to outcomes from other variations

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Carry over of unspent funds from 2010-11 for the Education Tax Refund information campaign	1.1	2,002	-	-	-
Net impact on estimates for Outcome 1 (administered)					
		2,002	-	-	-

Note: These figures represent the fiscal balance impact.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the additional estimates sought for the Treasury through Appropriation Bill No. 3. The Treasury is not seeking funding through Appropriation Bill No. 4.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations					
Departmental items	167,728	158,061	162,219	4,158	-
Administered items	15,916	16,685	18,687	2,002	-
Total	183,644	174,746	180,906	6,160	-

Note: The 2011-12 budget figure for departmental items includes the transfer of \$0.989 million under section 32 of the *Financial Management and Accountability Act 1997* from the Department of Sustainability, Environment, Water, Population and Communities.

Section 2: Revisions to agency outcomes and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Treasury from that included in the *Portfolio Budget Statements 2011-12* (pages 23-24).

There has been no change to the program objective, expenses, deliverables or key performance indicators for programs 1.2 to 1.10 that affect Appropriation Bills No. 3 and No. 4.

Programs 1.4 to 1.10 relate to Australia's Federal Relations. Further details of Australia's Federal Relations are on pages 64 to 142 of the *Mid-Year Economic and Fiscal Outlook 2011-12*.

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations	2010-11 Actual \$'000	2011-12 Revised estimated resources \$'000
Program 1.1: Department of the Treasury		
Departmental resources		
Ordinary annual services (Appropriation Bills No. 1 and No. 3)	167,728	162,219
Equity injections (Appropriation Bill No. 2)	1,395	583
Revenues from independent sources (s31)	8,370	12,795
Special accounts	1,629	1,629
Administered items		
Other Services (Appropriation Bills No. 1 and No. 3)	6,714	15,439
Total for Program 1.1	185,836	192,665
	2010-11	2011-12
Average staffing level (number)	1,012	990

Program 1.1: Department of the Treasury

There has been no change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2011-12*.

As a result of Administrative Arrangements Orders of 14 December 2011, the housing supply policy function transferred from the Department of Sustainability, Environment, Water, Population and Communities to the Treasury.

Table 2.2: Program expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Actuals	Revised budget	Forward year 1	Forward year 2	Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses					
Departmental items	177,767	180,415	170,353	163,688	164,729
Total departmental expenses	177,767	180,415	170,353	163,688	164,729
Administered expenses					
Other Services	6,714	15,439	-	-	-
Total administered expenses	6,714	15,439	-	-	-
Total program resources	191,195	211,293	170,353	163,688	164,729

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specific purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Treasury.

Table 3.1.1: Estimates of special account cash flows and balances

	Outcome	Opening balance	Receipts		Payments	Closing balance
		2011-12 2010-11	Non-Appropriated 2011-12 2010-11	Appropriated 2011-12 2010-11	2011-12 2010-11	2011-12 2010-11
		\$'000	\$'000	\$'000	\$'000	\$'000
Actuarial Services Special Account (D)	1	2,151 2,205	1,629 1,507	-	1,629 1,561	2,151 2,151
COAG Reform Fund Special Account (A)	1	-	22,019,186 18,402,547	-	22,019,186 18,402,547	-
Financial System Stability Special Account (A)	1	-	-	-	-	-
Other Trust Moneys Account (D)	1	-	-	-	-	-
Services for other Governments and Non-agency Bodies Account (D)	1	-	-	-	-	-
Total special accounts 2011-12 Budget estimate		2,151	22,020,815	-	22,020,815	2,151
Total special accounts 2010-11 estimate actual		2,205	18,404,054	-	18,404,108	2,151

(A) Administered.
(D) Departmental.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The Department of the Treasury is budgeting for a departmental breakeven operating result for 2011-12.

The Department of the Treasury has a sound financial position and currently has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

3.2.2 Budgeted financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	119,553	121,523	114,001	108,304	108,983
Supplier	43,122	46,456	42,917	41,947	42,335
Grants	3,077	1,100	2,100	2,106	2,080
Depreciation and amortisation	12,015	11,336	11,335	11,331	11,331
Total expenses	177,767	180,415	170,353	163,688	164,729
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	8,623	11,868	11,868	11,868	11,868
Other revenue	726	927	762	768	742
Total revenue	9,349	12,795	12,630	12,636	12,610
Gains					
Other gains	571	550	550	550	550
Total gains	571	550	550	550	550
Total own-source income	9,920	13,345	13,180	13,186	13,160
Net cost of (contribution by) services	167,847	167,070	157,173	150,502	151,569
Appropriation revenue	158,268	155,734	145,838	139,171	140,238
Surplus (deficit) attributable to the Australian Government	(9,579)	(11,336)	(11,335)	(11,331)	(11,331)
Note: Reconciliation of operating result attributable to the agency					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
Operating result attributable to the Australian Government	(9,579)	(11,336)	(11,335)	(11,331)	(11,331)
Plus non-appropriated expenses depreciation and amortisation expenses	12,015	11,336	11,335	11,331	11,331
Operating result attributable to the Treasury	2,436	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and equivalents	836	836	836	836	836
Trade and other receivables	78,211	80,211	82,211	84,211	86,211
Total financial assets	79,047	81,047	83,047	85,047	87,047
Non-financial assets					
Land and buildings	7,878	6,854	5,840	4,836	3,842
Infrastructure, plant and equipment	8,395	9,298	9,850	10,439	11,071
Intangibles	31,117	26,970	21,825	16,794	11,898
Other	2,336	2,336	2,336	2,336	2,336
Total non-financial assets	49,726	45,458	39,851	34,405	29,147
Total assets	128,773	126,505	122,898	119,452	116,194
LIABILITIES					
Provisions					
Employees	41,288	43,288	45,288	47,288	49,288
Total provisions	41,288	43,288	45,288	47,288	49,288
Payables					
Suppliers	3,204	3,204	3,204	3,204	3,204
Other	5,619	5,619	5,619	5,619	5,619
Total payables	8,823	8,823	8,823	8,823	8,823
Total liabilities	50,111	52,111	54,111	56,111	58,111
Net assets	78,662	74,394	68,787	63,341	58,083
EQUITY					
Parent entity interest					
Contributed equity	46,621	53,689	59,417	65,302	71,375
Reserves	5,246	5,246	5,246	5,246	5,246
Retained surpluses or accumulated deficits	26,795	15,459	4,124	(7,207)	(18,538)
Total parent entity interest	78,662	74,394	68,787	63,341	58,083
Current assets	81,383	83,383	85,383	87,383	89,383
Non-current assets	47,390	43,122	37,515	32,069	26,811
Current liabilities	45,718	47,558	49,398	51,238	53,078
Non-current liabilities	4,393	4,553	4,713	4,873	5,033

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	9,302	11,868	11,868	11,868	11,868
Appropriations	158,515	153,734	143,838	137,171	138,238
Other	4,584	927	762	768	742
Total cash received	172,401	166,529	156,468	149,807	150,848
Cash used					
Employees	120,220	119,523	112,001	106,304	106,983
Suppliers	49,386	45,906	42,367	41,397	41,785
Grants	3,077	1,100	2,100	2,106	2,080
Borrowing costs	60	-	-	-	-
Total cash used	172,743	166,529	156,468	149,807	150,848
Net cash from or (used by) operating activities	(342)	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	22	-	-	-	-
Total cash received	22	-	-	-	-
Cash used					
Purchase of property, plant and equipment	7,618	7,068	5,728	5,885	6,073
Total cash used	7,618	7,068	5,728	5,885	6,073
Net cash from or (used by) investing activities	(7,596)	(7,068)	(5,728)	(5,885)	(6,073)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	7,618	7,068	5,728	5,885	6,073
Total cash received	7,618	7,068	5,728	5,885	6,073
Cash used					
Repayment of borrowings	40	-	-	-	-
Total cash used	40	-	-	-	-
Net cash from or (used by) financing activities	7,578	7,068	5,728	5,885	6,073
Net increase or (decrease) in cash held	(360)	-	-	-	-
Cash at the beginning of the reporting period	1,196	836	836	836	836
Cash at the end of the reporting period	836	836	836	836	836

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	26,795	5,246	-	46,621	78,662
Adjusted opening balance	26,795	5,246	-	46,621	78,662
Comprehensive income					
Surplus (deficit) for the period	(11,336)	-	-	-	(11,336)
Total comprehensive income	(11,336)	-	-	-	(11,336)
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	583	583
Appropriation (departmental capital budget)	-	-	-	6,485	6,485
Sub-total transactions with owners	-	-	-	7,068	7,068
Estimated closing balance as at 30 June 2012	15,459	5,246	-	53,689	74,394

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	6,462	6,485	5,228	5,302	5,490
Total equity injections	1,395	583	500	583	583
Total capital appropriations	7,857	7,068	5,728	5,885	6,073
Represented by:					
Purchase of non-financial assets	7,857	7,068	5,728	5,885	6,073
Total represented by	7,857	7,068	5,728	5,885	6,073
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,395	583	500	583	583
Funded by capital appropriations - DCB	6,462	6,485	5,228	5,302	5,490
TOTAL	7,857	7,068	5,728	5,885	6,073
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	7,857	7,068	5,728	5,885	6,073
Total cash used to acquire assets	7,857	7,068	5,728	5,885	6,073

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — Departmental (2011-12)

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	19,653	13,655	41,408	74,716
less Accumulated depreciation/ amortisation	11,775	5,260	10,291	27,326
Opening net book balance	7,878	8,395	31,117	47,390
Capital asset additions				
By purchase - appropriation equity	-	-	583	583
By purchase - appropriation ordinary annual services	500	2,954	3,031	6,485
Total additions	500	2,954	3,614	7,068
Other movements				
Depreciation/amortisation expense	1,524	2,051	7,761	11,336
Total asset movements	1,524	2,051	7,761	11,336
As at 30 June 2012				
Gross book value	20,153	16,609	45,022	81,784
less Accumulated depreciation/ amortisation	13,299	7,311	18,052	38,662
Closing net book balance	6,854	9,298	26,970	43,122

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Goods and services	1,879,543	1,621,650	1,406,693	1,198,127	719,476
Interest	127	2,153	4,789	13,646	29,294
Dividends	3,714	4,126	4,226	4,265	4,302
COAG Receipts from government agencies	1,351,057	3,108,166	1,884,261	1,492,515	1,051,267
Other sources of non-taxation revenues	72,269	33,100	2,500	2,500	2,500
Foreign exchange gains	338,219	-	25,316	870,966	67,159
Total non-taxation	3,644,929	4,769,195	3,327,785	3,582,019	1,873,998
Total income administered on behalf of Government	3,644,929	4,769,195	3,327,785	3,582,019	1,873,998
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	86,935,638	87,079,541	83,997,055	88,394,005	88,855,320
Interest	18,734	21,358	15,169	15,299	15,334
Other	6,765	201,476	675	675	675
Total expenses administered on behalf of Government	86,961,137	87,302,375	84,012,899	88,409,979	88,871,329

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	4,763	4,763	4,763	4,763	4,763
Loans	-	1,202,555	1,638,055	1,816,843	1,980,651
Receivables	2,922,847	1,376,636	734,175	273,799	182,434
Investments	11,383,633	11,215,576	16,385,566	17,346,532	17,504,872
Total financial assets	14,311,243	13,799,530	18,762,559	19,441,937	19,672,720
Non-financial assets					
Other	14,792	-	-	-	-
Total non-financial assets	14,792	-	-	-	-
Total assets administered on behalf of Government	14,326,035	13,799,530	18,762,559	19,441,937	19,672,720
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Loans	3,851,037	3,204,319	6,646,907	6,670,439	6,694,181
Other debt	4,585,365	4,354,576	4,364,594	4,406,558	4,449,277
Total interest bearing liabilities	8,436,402	7,558,895	11,011,501	11,076,997	11,143,458
Provisions					
Other provisions	4,596,862	2,520,392	2,587,397	1,042,844	8,356
Total provisions	4,596,862	2,520,392	2,587,397	1,042,844	8,356
Payables					
Grants	884,073	204,027	197,017	196,584	196,197
Other payables	2,131,837	1,482,542	850,067	417,456	323,665
Total payables	3,015,910	1,686,569	1,047,084	614,040	519,862
Total liabilities administered on behalf of Government	16,049,174	11,765,856	14,645,982	12,733,881	11,671,676

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	1,238,386	945,840	717,303	532,284	129,447
Interest	3,144	5,523	5,437	5,486	5,535
Dividends	750,000	-	-	-	-
COAG receipts from government agencies	1,337,197	10,691,041	10,059,147	10,322,918	10,585,633
Other	66,836	33,100	2,500	2,500	2,500
Total cash received	3,395,563	11,675,504	10,784,387	10,863,188	10,723,115
Cash used					
Grant payments	81,899,064	96,646,790	91,401,126	98,065,717	98,816,487
Interest paid	16,965	15,993	15,108	15,243	15,380
Other	23,156	26,223	12,175	4,675	1,675
Total cash used	81,939,185	96,689,006	91,428,409	98,085,635	98,833,542
Net cash from or (used by) operating activities	(78,543,622)	(85,013,502)	(80,644,022)	(87,222,447)	(88,110,427)
INVESTING ACTIVITIES					
Cash received					
IMF MOV	401,961	-	-	-	-
Total cash received	401,961	-	-	-	-
Cash used					
Purchase of equity instruments	18,687	356,017	1,692,877	24,844	25,066
Loans advances	-	995,649	431,119	172,137	154,850
Other	540,188	-	-	-	-
Total cash used	558,875	1,351,666	2,123,996	196,981	179,916
Net cash from or (used by) investing activities	(156,914)	(1,351,666)	(2,123,996)	(196,981)	(179,916)
Net increase or (decrease) in cash held					
	(78,700,536)	(86,365,168)	(82,768,018)	(87,419,428)	(88,290,343)
Cash at beginning of reporting period	4,063	4,763	4,763	4,763	4,763
Cash from Official Public Account - appropriations	83,842,479	90,457,791	85,377,513	89,452,207	89,479,086
Cash to Official Public Account	5,141,243	4,092,623	2,609,495	2,032,779	1,188,743
Cash at end of reporting period	4,763	4,763	4,763	4,763	4,763

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Administered assets and liabilities	14,765	36,500	57,000	50,000	30,000
Special appropriations	532,059	1,314,166	2,073,996	146,981	157,416
Total capital appropriations	546,824	1,350,666	2,130,996	196,981	187,416
Represented by:					
Other	546,824	1,350,666	2,130,996	196,981	187,416
Total represented by	546,824	1,350,666	2,130,996	196,981	187,416

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

The Treasury's budgeted statements are prepared on an accrual basis in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

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

Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.

Administered items are revenues, expenses, assets or liabilities which are managed by the department on behalf of the Government according to set government directions. Administered expenses include subsidies, grants and personal benefit payments, and administered revenues include taxes, fines and excises.

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AUSTRALIAN BUREAU OF STATISTICS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Australian Bureau of Statistics from that outlined in the *Portfolio Budget Statements 2011-12* (pages 63-65).

The Australian Bureau of Statistics is seeking an additional \$2.8 million in departmental outputs through Appropriation Bill (No. 3) 2011-12 for the Clean Energy Future – Improving Energy Efficiency measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12* (page 212).

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Australian Bureau of Statistics resource statement — additional estimates for 2011-12 as at Additional Estimates February 2011

	Estimates as at Budget 2011-12 \$'000	Proposed Additional Estimates 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services				
Departmental				
Prior year departmental carried forward	48,020	15,451	63,471	36,861
Departmental appropriation ²	563,857	2,813 ¹	566,670	398,904
Receipts from other sources (s31)	48,388	8,000	56,388	32,353
Total ordinary annual services	A 660,265	26,264	686,529	468,118
Other services				
Departmental non-operating				
Equity injections	1,068	-	1,068	623
Total other services	B 1,068	-	1,068	623
Total net resourcing for the ABS (A + B)	661,333	26,264	687,597	468,741

1. Appropriation Bill (No. 3) 2011-12

2. Includes \$18.0 million in 2011-12 for the departmental capital budget (also refer to Table 3.2.5).

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget.

Table 1.2: Agency measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Clean Energy Future - Improving					
Energy Efficiency	1.1	2,813	6,331	1,064	-

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates and variations resulting from new measures since the 2011-12 Budget.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Clean Energy Future - Improving					
Energy Efficiency	1.1	2,813	6,331	1,064	-
Net impact on estimates for Outcome 1 (departmental)					
		2,813	6,331	1,064	-

Table 1.4: Additional estimates and variations to outcomes from other variations

The Australian Bureau of Statistics does not have any other variations since the 2011-12 Budget that affect Appropriation Bills No. 3 and No. 4.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.5 details the additional estimates sought for the Australian Bureau of Statistics through Appropriation Bill No. 3. There are no additional estimates sought for the Australian Bureau of Statistics through Appropriation Bill No. 4.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL PROGRAMS					
Outcome 1: Informed decisions, research and discussion within governments and the community by leading the collection, analysis and provision of high quality, objective and relevant statistical information	398,904	563,857	566,670	2,813	-
Total	398,904	563,857	566,670	2,813	-

Section 2: Revisions to agency outcomes and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Australian Bureau of Statistics from that included in the *Portfolio Budget Statements 2011-12* (page 68).

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Informed decisions, research and discussion within governments and the community by leading the collection, analysis and provision of high quality, objective and relevant statistical information	2010-11	2011-12
	Actual	Revised estimated resources
	\$'000	\$'000
Program 1.1: Australian Bureau of Statistics		
Departmental expenses		
Ordinary annual services (Appropriation Bills No. 1 and No. 3)	354,851	548,632
Revenues from independent sources (s31)	40,565	55,177
Expenses not requiring appropriation in the Budget year	30,558	35,960
Total for Program 1.1	425,974	639,769
	2010-11	2011-12
Average staffing level (number)	3,084	3,570

Program 1.1: Australian Bureau of Statistics

There has been no change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2011-12*.

Table 2.2: Program expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Actuals	Budget	Forward	Forward	Forward
	\$'000	\$'000	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual departmental expenses:					
Departmental items	425,974	639,769	383,658	361,445	373,170
Total departmental expenses	425,974	639,769	383,658	361,445	373,170

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

There has been no change to special account flows that affect Appropriation Bills No. 3 and No. 4.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The Australian Bureau of Statistics is budgeting for a departmental breakeven operating result for 2011-12 after adjusting for non-appropriated expenses of depreciation and amortisation.

The Australian Bureau of Statistics has a sound financial position and currently has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

The actual 2010-11 operating deficit represents a technical accounting loss resulting from the change in accounting estimates for internally generated software.

3.2.2 Budgeted financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	283,141	456,115	257,519	243,889	254,470
Supplier	109,494	147,218	91,266	84,277	86,490
Depreciation and amortisation	30,558	35,960	34,373	32,779	31,710
Finance costs	66	-	-	-	-
Write-down and impairment of assets	2,591	-	-	-	-
Other	124	476	500	500	500
Total expenses	425,974	639,769	383,658	361,445	373,170
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	32,353	56,388	37,703	34,939	34,000
Other	124	-	-	-	-
Total revenue	32,477	56,388	37,703	34,939	34,000
Gains					
Sale of assets	6	100	100	100	100
Other gains	125	120	120	120	120
Total gains	131	220	220	220	220
Total own-source income	32,608	56,608	37,923	35,159	34,220
Net cost of (contribution by) services	393,366	583,161	345,735	326,286	338,950
Appropriation revenue	354,851	548,632	313,100	294,687	307,689
Surplus (deficit) attributable to the Australian Government	(38,515)	(34,529)	(32,635)	(31,599)	(31,261)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	887	-	-	-	-
Total Other Comprehensive Income	887	-	-	-	-
Total comprehensive income attributable to the Australian Government	(37,628)	(34,529)	(32,635)	(31,599)	(31,261)
Note: Reconciliation of operating result attributable to the agency					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Operating result attributable to the Australian Government	(38,515)	(34,529)	(32,635)	(31,599)	(31,261)
Plus non-appropriated expenses depreciation and amortisation expenses	30,558	35,960	34,373	32,779	31,710
Operating result attributable to the Australian Bureau of Statistics	(7,957)	1,431	1,738	1,180	449

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and equivalents	4,037	4,037	4,037	4,037	4,037
Trade and other receivables	66,354	60,738	52,021	50,810	53,810
Total financial assets	70,391	64,775	56,058	54,847	57,847
Non-financial assets					
Infrastructure, plant and equipment	53,344	53,745	47,710	44,834	42,045
Intangibles	77,805	73,668	65,579	57,241	50,599
Other	8,148	8,168	10,151	10,151	10,151
Total non-financial assets	139,297	135,581	123,440	112,226	102,795
Total assets	209,688	200,356	179,498	167,073	160,642
LIABILITIES					
Provisions					
Employees	77,843	80,411	83,101	85,697	87,697
Other	5,785	5,785	5,785	5,785	5,785
Total provisions	83,628	86,196	88,886	91,482	93,482
Payables					
Suppliers	29,745	31,939	25,567	22,322	23,322
Other	28,246	32,568	29,515	28,953	28,953
Total payables	57,991	64,507	55,082	51,275	52,275
Interest bearing liabilities					
Leases	6,146	3,155	3,155	3,155	3,155
Total interest bearing liabilities	6,146	3,155	3,155	3,155	3,155
Total liabilities	147,765	153,858	147,123	145,912	148,912
Net assets	61,923	46,498	32,375	21,161	11,730
EQUITY					
Parent entity interest					
Contributed equity	63,894	83,000	101,511	121,896	143,726
Reserves	18,075	18,075	18,075	18,075	18,075
Retained surpluses or accumulated deficits	(20,046)	(54,577)	(87,211)	(118,810)	(150,071)
Total parent entity interest	61,923	46,498	32,375	21,161	11,730
Current assets	78,539	72,943	66,209	64,998	67,998
Non-current assets	131,149	127,413	113,289	102,075	92,644
Current liabilities	64,933	69,271	63,705	62,169	63,169
Non-current liabilities	82,832	84,587	83,418	83,743	85,743

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	51,277	56,388	38,588	34,939	34,000
Appropriations	339,577	546,340	326,566	298,598	304,689
Net GST received	7,951	12,585	6,949	6,686	6,256
Total cash received	398,805	615,313	372,103	340,223	344,945
Cash used					
Employees	278,758	454,834	259,769	241,854	252,471
Suppliers	124,480	140,283	100,547	87,403	83,114
Borrowing costs	66	-	-	-	-
Net GST paid	-	15,564	9,649	9,386	8,511
Other	-	476	500	500	500
Total cash used	403,304	611,157	370,465	339,143	344,596
Net cash from or (used by) operating activities	(4,499)	4,156	1,638	1,080	349
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	51	100	100	100	100
Total cash received	51	100	100	100	100
Cash used					
Purchase of property, plant and equipment	26,717	32,224	20,249	21,565	22,279
Total cash used	26,717	32,224	20,249	21,565	22,279
Net cash from or (used by) investing activities	(26,666)	(32,124)	(20,149)	(21,465)	(22,179)
FINANCING ACTIVITIES					
Cash received					
Appropriations - DCB	33,340	27,968	18,511	20,385	21,830
Total cash received	33,340	27,968	18,511	20,385	21,830
Cash used					
Repayments of borrowings	1,699	-	-	-	-
Total cash used	1,699	-	-	-	-
Net cash from or (used by) financing activities	31,641	27,968	18,511	20,385	21,830
Net increase or (decrease) in cash held	476	-	-	-	-
Cash at the beginning of the reporting period	3,561	4,037	4,037	4,037	4,037
Cash at the end of the reporting period	4,037	4,037	4,037	4,037	4,037

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	(20,046)	18,075	-	63,894	61,923
Adjustment for Errors	(2)	-	-	-	(2)
Adjusted opening balance	(20,048)	18,075	-	63,894	61,921
Comprehensive income					
Surplus (deficit) for the period	(34,529)	-	-	-	(34,529)
Total comprehensive income	(34,529)	-	-	-	(34,529)
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)				1,068	1,068
Appropriation (departmental capital budget)	-	-	-	18,038	18,038
Sub-total transactions with owners	-	-	-	19,106	19,106
Estimated closing balance as at 30 June 2012	(54,577)	18,075	-	83,000	46,498

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Actual 2010-11	Revised budget 2011-12	Forward estimate 2012-13	Forward estimate 2013-14	Forward estimate 2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	44,053	18,038	18,082	20,329	21,774
Total equity injections - Bill 2	623	1,068	429	56	56
Total capital appropriations	44,676	19,106	18,511	20,385	21,830
Represented by:					
Purchase of non-financial assets	44,676	19,106	18,511	20,385	21,830
Total represented by	44,676	19,106	18,511	20,385	21,830
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	727	1,068	429	56	56
Funded internally from departmental resources	1,236	1,431	1,738	1,180	449
Funded by capital appropriations - DCB	24,754	29,725	18,082	20,329	21,774
TOTAL	26,717	32,224	20,249	21,565	22,279
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	26,717	32,224	20,249	21,565	22,279
Total cash used to acquire assets	26,717	32,224	20,249	21,565	22,279

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — Departmental (2011-12)

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	-	68,068	178,187	246,255
less Accumulated depreciation/ amortisation		14,724	100,382	115,106
Opening net book balance	-	53,344	77,805	131,149
Asset movements				
Additions	-	15,413	16,811	32,224
less Depreciation/amortisation expense	-	15,012	20,948	35,960
Total asset movements	-	401	(4,137)	(3,736)
As at 30 June 2012				
Gross book value	-	83,481	194,998	278,479
less Accumulated depreciation/ amortisation	-	29,736	121,330	151,066
Closing net book balance	-	53,745	73,668	127,413

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

The Australian Bureau of Statistics' budgeted statements are prepared on an accrual basis in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.

AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

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AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Australian Competition and Consumer Commission from that outlined in the *Portfolio Budget Statements 2011-12* (pages 83-84).

The Australian Competition and Consumer Commission is seeking an additional \$2.2 million in departmental outputs through Appropriation Bill (No. 3) 2011-12 for the Clean Energy Future – Compliance measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12* (page 287).

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Australian Competition and Consumer Commission resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimates as at Budget 2011-12 \$'000	+	Proposed Additional Estimates 2011-12 \$'000	=	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services						
Departmental						
Prior year departmental carried forward	21,449		-		21,449	-
Departmental appropriation ²	152,085		2,198	¹	154,283	147,304
Receipts from other sources (s31)	500		-		500	3,823
Total ordinary annual services	A 174,034		2,198		176,232	151,127
Other services						
Departmental non-operating						
Equity injections	24,834		-		24,834	40
Total other services	B 24,834		-		24,834	40
Total available annual appropriations (A+B)	198,868		2,198		201,066	151,167
Special accounts						
Opening balance	52		-		52	-
Non-appropriation receipts to special accounts	-		-		-	100
Total special account	C 52		-		52	100
Total net resourcing for ACCC (A+B+C)	198,920		2,198		201,118	151,267

1. Appropriation Bill (No. 3) 2011-12

2. Includes \$2.5 million in 2011-12 for the departmental capital budget (also refer to Table 3.2.5).

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget.

Table 1.2: Agency measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Clean Energy Future - Compliance	1.1	2,198	4,381	4,107	2,127

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates and variations resulting from new measures since the 2011-12 Budget.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Clean Energy Future - Compliance	1.1	2,198	4,381	4,107	2,127
Net impact on estimates for Outcome 1 (departmental)					
		2,198	4,381	4,107	2,127

Table 1.4: Additional estimates and variations to outcomes from other variations

The Australian Competition and Consumer Commission do not have any other variations since the 2011-12 Budget that affect Appropriation Bills No. 3 and No. 4.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.5 details the additional estimates sought for the Australian Competition and Consumer Commission through Appropriation Bill No. 3. There are no additional estimates sought for the Australian Competition and Consumer Commission through Appropriation Bill No. 4.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL PROGRAMS					
Outcome 1: Lawful competition, consumer protection, and regulated national infrastructure markets and services through regulation, including enforcement, education, price monitoring and determining the terms of access to infrastructure services	147,304	152,085	154,283	2,198	-
Total	147,304	152,085	154,283	2,198	-

Section 2: Revisions to agency outcomes and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Australian Competition and Consumer Commission from that included in the *Portfolio Budget Statements 2011-12* (pages 86-87).

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Lawful competition, consumer protection, and regulated national infrastructure markets and services through regulation, including enforcement, education, price monitoring and determining the terms of access to infrastructure services	2010-11 Actual \$'000	2011-12 Revised estimated resources \$'000
Program 1.1: Australian Competition and Consumer Commission		
Departmental expenses		
Ordinary annual services (Appropriation Bills No. 1 and No. 3)	141,342	151,275
Revenues from independent sources (s31)	1,176	575
Expenses not requiring appropriation in the Budget year	9,340	3,468
Total for Program 1.1	151,858	155,318
	2010-11	2011-12
Average staffing level (number)	778	824

Program 1.1: Australian Competition and Consumer Commission

There has been no change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2011-12*.

Table 2.2: Program expenses

	2010-11 Actuals \$'000	2011-12 Budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual departmental expenses:					
Departmental items	151,858	155,318	150,161	146,856	145,185
Total departmental expenses	151,858	155,318	150,161	146,856	145,185

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

There has been no change to special account flows that affect Appropriation Bills No. 3 and No. 4.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The Australian Competition and Consumer Commission is budgeting for a departmental breakeven operating result for 2011-12 after adjusting for non-appropriated expenses of depreciation and amortisation.

The Australian Competition and Consumer Commission has a sound financial position and currently has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

3.2.2 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	81,586	90,191	90,450	88,353	88,042
Supplier	65,352	61,659	56,242	55,034	53,674
Depreciation and amortisation	4,836	3,468	3,469	3,469	3,469
Finance costs	61	-	-	-	-
Net losses from sale	23	-	-	-	-
Total expenses	151,858	155,318	150,161	146,856	145,185
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	1,069	500	500	500	500
Total revenue	1,069	500	500	500	500
Gains					
Other gains	107	75	75	75	75
Total gains	107	75	75	75	75
Total own-source income	1,176	575	575	575	575
Net cost of (contribution by) services	150,682	154,743	149,586	146,281	144,610
Appropriation revenue	141,342	151,275	146,117	142,812	141,141
Surplus (deficit) attributable to the Australian Government	(9,340)	(3,468)	(3,469)	(3,469)	(3,469)
Note: Reconciliation of operating result attributable to the agency					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Operating result attributable to the Australian Government	(9,340)	(3,468)	(3,469)	(3,469)	(3,469)
Plus non-appropriated expenses depreciation and amortisation expenses	4,836	3,468	3,469	3,469	3,469
Operating result attributable to the ACCC	(4,504)	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and equivalents	1,626	2,126	2,126	2,126	2,126
Trade and other receivables	51,867	51,367	51,367	51,367	51,367
Total financial assets	53,493	53,493	53,493	53,493	53,493
Non-financial assets					
Land and buildings	14,236	12,821	11,435	10,074	9,633
Infrastructure, plant and equipment	7,678	8,093	7,965	7,829	6,287
Intangibles	2,029	2,124	2,231	2,338	2,724
Other	1,341	1,341	1,341	1,341	1,341
Total non-financial assets	25,284	24,379	22,972	21,582	19,985
Total assets	78,777	77,872	76,465	75,075	73,478
LIABILITIES					
Provisions					
Employees	20,063	20,063	20,063	20,063	20,063
Other	1,407	1,407	1,407	1,407	1,407
Total provisions	21,470	21,470	21,470	21,470	21,470
Payables					
Suppliers	7,236	7,236	7,236	7,236	7,236
Other	11,816	11,816	11,816	11,816	11,816
Total payables	19,052	19,052	19,052	19,052	19,052
Total liabilities	40,522	40,522	40,522	40,522	40,522
Net assets	38,255	37,350	35,943	34,553	32,956
EQUITY					
Parent entity interest					
Contributed equity	42,642	45,205	47,287	49,386	51,258
Reserves	3,538	3,538	3,538	3,538	3,538
Retained surpluses or accumulated deficits	(7,925)	(11,393)	(14,882)	(18,371)	(21,840)
Total parent entity interest	38,255	37,350	35,943	34,553	32,956
Current assets	54,164	54,164	54,164	54,164	54,164
Non-current assets	24,614	23,709	22,302	20,912	19,315
Current liabilities	19,052	19,052	19,052	19,052	19,052
Non-current liabilities	21,470	21,470	21,470	21,470	21,470

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	741	500	500	500	500
Appropriations	146,411	151,775	146,117	142,812	141,141
Other	6,637	-	-	-	-
Total cash received	153,789	152,275	146,617	143,312	141,641
Cash used					
Employees	82,862	90,191	90,450	88,353	88,042
Suppliers	66,548	61,584	56,167	54,959	53,599
Other	788				
Total cash used	150,198	151,775	146,617	143,312	141,641
Net cash from or (used by) operating activities	3,591	500	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	5,868	2,563	2,082	2,099	2,057
Total cash used	5,868	2,563	2,082	2,099	2,057
Net cash from or (used by) investing activities	(5,868)	(2,563)	(2,082)	(2,099)	(2,057)
FINANCING ACTIVITIES					
Cash received					
Appropriations - capital	2,500	2,563	2,082	2,099	2,057
Total cash received	2,500	2,563	2,082	2,099	2,057
Net cash from or (used by) financing activities	2,500	2,563	2,082	2,099	2,057
Net increase or (decrease) in cash held	223	500	-	-	-
Cash at the beginning of the reporting period	1,403	1,626	2,126	2,126	2,126
Cash at the end of the reporting period	1,626	2,126	2,126	2,126	2,126

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	(7,925)	3,538	-	42,642	38,255
Adjusted opening balance	(7,925)	3,538	-	42,642	38,255
Comprehensive income					
Surplus (deficit) for the period	(3,468)	-	-	-	(3,468)
Total comprehensive income recognised directly in equity	(3,468)	-	-	-	(3,468)
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (departmental capital budget)	-	-	-	2,563	2,563
Sub-total transactions with owners	-	-	-	2,563	2,563
Estimated closing balance as at 30 June 2012	(11,393)	3,538	-	45,205	37,350

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill1 - DCB	2,500	2,508	2,022	2,039	2,057
Equity injections - Bill 2	40	55	60	60	-
Total capital appropriations	2,540	2,563	2,082	2,099	2,057
Represented by:					
Purchase of non-financial assets	2,540	2,563	2,082	2,099	2,057
Total represented by	2,540	2,563	2,082	2,099	2,057
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB	2,500	2,508	2,022	2,039	2,057
Funded by capital appropriation	40	55	60	60	-
Total	2,540	2,563	2,082	2,099	2,057
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,540	2,563	2,082	2,099	2,057
Total cash used to acquire assets	2,540	2,563	2,082	2,099	2,057

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — Departmental (2011-12)

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	17,146	10,802	6,425	34,373
less Accumulated depreciation/ amortisation	(2,910)	(3,124)	(4,396)	(10,430)
Opening net book balance	14,236	7,678	2,029	23,943
Asset movements				
Additions	22	2,287	254	2,563
less Depreciation/amortisation expense	(1,437)	(1,872)	(159)	(3,468)
Total asset movements	(1,415)	415	95	(905)
As at 30 June 2012				
Gross book value	17,168	13,089	6,679	36,936
less Accumulated depreciation/ amortisation	(4,347)	(4,996)	(4,555)	(13,898)
Closing net book balance	12,821	8,093	2,124	23,038

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Fees and fines	43,412	10,000	10,000	10,000	10,000
Total non-taxation	43,412	10,000	10,000	10,000	10,000
Total revenues administered on behalf of Government	-	-	-	-	-
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Other	68	-	-	-	-
Total expenses administered on behalf of Government	68	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	18	18	18	18	18
Receivables	8,943	8,943	8,943	8,943	8,943
Total financial assets	8,961	8,961	8,961	8,961	8,961
Total assets administered on behalf of Government	8,961	8,961	8,961	8,961	8,961

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Fees	57,175	10,000	10,000	10,000	10,000
Total cash received	57,175	10,000	10,000	10,000	10,000
Cash used					
Other	57,218	10,000	10,000	10,000	10,000
Total cash used	57,218	10,000	10,000	10,000	10,000
Net cash from or (used by) operating activities	(43)	-	-	-	-
Net increase or (decrease) in cash held	(43)	-	-	-	-
Cash at beginning of reporting period	61	18	18	18	18
Cash at end of reporting period	18	18	18	18	18

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Accounting policy

The budgeted financial statements have been prepared on an accrual accounting basis having regard to statements of accounting concepts, and in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

Departmental and administered items

Agency assets, liabilities, revenues and expenses are those items that are controlled by the ACCC that are used by the ACCC in producing its program and include:

- computers, plant and equipment and building fitout used in providing goods and services;
- liabilities for employee entitlements;
- revenue from appropriations or independent sources in payment for the departmental program; and
- employee, supplier and depreciation expenses incurred in providing agency program.

Administered items are those items incurred in providing programs that are controlled by the Government and managed, or oversighted by the ACCC on behalf of the government. Administered revenues include fees and fines.

Departmental revenue

Revenue from government represents the purchase of outputs from the ACCC by the Government and is recognised to the extent that it has been received into the ACCC's bank account.

Revenue from other sources, representing sales from goods and services, is recognised at the time that it is imposed on customers.

Departmental expenses — employees

Payments and net increases in entitlements to employees for services rendered in the financial year.

Departmental expenses — suppliers

Payments to suppliers for goods and services used in providing agency programs.

Departmental expenses — depreciation and amortisation

Depreciable property, plant and equipment, buildings and intangible assets are written-off to their estimated residual values over their estimated useful life, using the straight-line calculation method.

Departmental assets — financial assets

The primary financial asset relates to receivables. Financial assets are used to fund the ACCC's capital program, employee entitlements, creditors and to provide working capital.

Departmental assets — non-financial assets

These items represent future benefits that the ACCC will consume in producing outputs. The reported value represents the purchase paid less depreciation incurred to date in using the asset.

Departmental liabilities — provisions and payables

Provision has been made for the ACCC's liability for employee entitlements arising from services rendered by employees. The liability includes unpaid annual leave and long service leave.

Provision has also been made for unpaid expenses as at balance date.

AUSTRALIAN TAXATION OFFICE

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AUSTRALIAN TAXATION OFFICE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Australian Taxation Office (ATO) from that outlined in the *Portfolio Budget Statements 2011-12* (pages 183-184).

The ATO is seeking an additional \$18 million in departmental outputs through Appropriation Bill (No. 3) 2011-12 for the Clean Energy Future – Putting a Price on Pollution – fuel tax credit reductions (\$2.2 million), Clean Energy Future – Putting a Price on Pollution – revenue from sale of carbon units (\$1.1 million) and Fringe benefits tax – reform of living-away-from-home allowances and benefits (\$0.5 million) measures, offset by the Personal income tax – 50 per cent discount for interest income – deferral (-\$2.1 million) and Personal income tax – standard deduction for work-related expenses and the cost of managing tax affairs – deferral (-\$1.9 million) measures as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12*, and for the Stronger Super – Superstream measure (\$18.3 million) that was agreed after the 2011-12 Mid-Year Economic and Fiscal Outlook

The ATO is also seeking an additional \$12.3 million as an equity injection through Appropriation Bill (No. 4) 2011-12 for the Stronger Super – Superstream measure.

The Stronger Super – Superstream measure is designed to enhance the back office of the superannuation system and make the process of everyday transactions easier, cheaper and faster.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Australian Taxation Office resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimate as at Budget 2011-12 \$'000	Proposed additional estimates 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services				
Departmental appropriation				
Prior year departmental appropriation	307,709	20,924	328,633	-
Departmental appropriation ²	3,252,169	17,981 ¹	3,270,150	3,146,456
s31 Relevant agency receipts	27,660	21,470	49,130	60,642
Total	3,587,538	60,375	3,647,913	3,207,098
Administered expenses				
Outcome 1	10,213	(1,233)	8,980	930
Total	10,213	(1,233)	8,980	930
Total ordinary annual services	A 3,597,751	59,142	3,656,893	3,208,028
Other services				
Departmental non-operating				
Equity injections	18,380	12,312 ³	30,692	28,639
Total other services	B 18,380	12,312	30,692	28,639
Total available annual appropriations (A+B)	3,616,131	71,454	3,687,585	3,236,667
Special appropriations				
<i>Product Grants and Benefits</i>				
<i>Administration Act 2000 -</i>				
Cleaner Fuel Grants	26,000	5,906	31,906	31,385
Product Stewardship for oil	40,000	-	40,000	34,909
<i>Superannuation Guarantee</i>				
<i>(Administration) Act 1992</i>	271,000	-	271,000	310,839
<i>Taxation Administration Act 1953 -</i>				
<i>section 16 (Non-refund items)⁴</i>	8,615,451	79,685	8,695,136	8,138,145
Total special appropriations	C 8,952,451	85,591	9,038,042	8,515,278
Total appropriations excluding special accounts (A+B+C)	12,568,582	157,045	12,725,627	11,751,945

Table 1.1: Australian Taxation Office resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

	Estimate as at Budget 2011-12 \$'000	Proposed additional estimates 2011-12 \$'000	=	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Special accounts					
Opening balance	109,564	(22,702)		86,862	96,947
Appropriation receipts	12,400	7,800		20,200	4,089
Non-appropriation receipts to special accounts	47,423	5,047		52,470	41,197
Total special account	D 169,387	(9,855)		159,532	142,233
Total resourcing (A+B+C+D)	12,737,969	147,190		12,885,159	11,894,178
Less receipts from other sources and credited to special accounts	12,400	7,800		20,200	4,089
Total net resourcing for ATO	12,725,569	139,390		12,864,959	11,890,089

1. Appropriation Bill (No. 3) 2011-12.

2. Includes \$137.8 million in 2011-12 for the departmental capital budget (also refer to Table 3.2.5).

3. Appropriation Bill (No. 4) 2011-12.

4. These figures relate to administered expenses including fuel tax credits, superannuation co-contributions, education tax refunds and research and development subsidies. Tax refund items for 2010-11 are \$79.1 billion including \$74 million paid via the Australian Customs Service (ACS) on the ATO's behalf. Estimated tax refund items for 2011-12 are \$88.8 billion (including \$80 million paid via the ACS on the ATO's behalf).

1.3 AGENCY MEASURES

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into expense and capital measures, with the affected program identified.

Table 1.2: Agency measures since Budget

Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures				
Alternative fuels - continuing the existing arrangements for ethanol, biodiesel, renewable diesel and methanol(a)				
Administered Expenses 1.6	31,161	53,787	54,157	54,530
Administered Expenses 1.12	(2,900)	(4,300)	(5,700)	(5,500)
Administered Expenses 1.20	(66,767)	(85,100)	(66,300)	(46,500)
	(38,506)	(35,613)	(17,843)	2,530

Table 1.2: Agency measures since Budget (continued)

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures (continued)					
Clean Energy Future					
- Creating Opportunities on the Land - extending the benefits of the Carbon Farming Initiative					
Administered Expenses	1.20	-	14,000	14,000	15,000
- Putting a Price on Pollution - fuel tax credit reductions					
Departmental Expenses	1.1	2,200	4,200	1,000	1,000
Administered Expenses	1.12	-	(530,000)	(50,000)	(460,000)
		2,200	(525,800)	(49,000)	(459,000)
- Putting a Price on Pollution - revenue from sale of carbon units(a)					
Departmental Expenses	1.1	1,051	1,606	2,460	2,300
Establishment of a Tax Studies Institute					
Departmental Expenses	1.1	-	(1,000)	(1,120)	(1,120)
Family Tax Benefit - Cease fortnightly payments to families who have zero entitlement for two consecutive years					
Departmental Expenses	1.1	-	-	-	-
Fringe benefits tax - reform of living-away-from-home allowances and benefits(a)					
Departmental Expenses	1.1	493	1,906	2,301	2,032
New R&D Tax Incentive - deferral(a)					
Administered Expenses	1.8	-	-	-	-
Personal income tax					
- 50 per cent tax discount for interest income - deferral(a)(b)					
Departmental Expenses	1.1	(2,111)	(4,691)	374	691
Administered Expenses	1.1	(2,123)	(1,542)	3,615	50
Administered Expenses	1.13	(2,000)	-	-	2,000
		(6,234)	(6,233)	3,989	2,741
- standard deduction for work-related expenses and the cost of managing tax affairs - deferral(a)(b)					
Departmental Expenses	1.1	(1,927)	(11,314)	(12,632)	25,873
Administered Expenses	1.1	-	(4,680)	1,462	3,218
Administered Expenses	1.13	-	(2,000)	(4,000)	6,000
		(1,927)	(17,994)	(15,170)	35,091

Table 1.2: Agency measures since Budget (continued)

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures (continued)					
Stronger Shipping for a Stronger Economy(a)					
Departmental Expenses	1.1	-	(8,000)	(500)	(500)
Administered Expenses	1.20	-	6,500	15,800	16,700
		-	(1,500)	15,300	16,200
Superannuation					
- abolishing the maximum superannuation guarantee age limit(a)					
Administered Expenses	1.20	-	-	6,000	6,000
- low income superannuation contribution - modified eligibility criteria					
Administered Expenses	1.20	-	(25,600)	(26,600)	(25,600)
Superannuation Co-contribution					
- better targeting concession for low income earners					
Administered Expenses	1.10	-	(352,000)	(342,000)	(329,000)
Stronger Super - Superstream(c)					
Departmental Expenses	1.1	18,275	62,736	91,195	71,249
Administered Expenses	1.1	-	-	2,136	558
		18,275	62,736	93,331	71,807
Tax compliance - increased data matching resources(a)					
Departmental Expenses	1.1	-	17,022	20,436	20,334
Capital measures					
Personal income tax					
- 50 per cent tax discount for interest income - deferral(a)					
Administered Expenses	1.1	-	(4,321)	4,321	-
- standard deduction for work-related expenses and the cost of managing tax affairs - deferral(a)					
Administered Expenses	1.1	-	(11,422)	11,422	-
Stronger Super - Superstream(c)	1.1	12,312	22,304	12,725	6,968
Tax compliance — increased data matching resources(a)					
Administered Expenses	1.1	-	-	600	-

(a) These measures also relate to revenue measures.

(b) Figures updated since the Mid-Year Economic and Fiscal Outlook.

(c) Measures that impact on Appropriation Bills No. 3 and No. 4 that were agreed after the Mid-Year Economic and Fiscal Outlook.

Note. Details of these measures, with the exception of (c), are in the Mid-Year Economic and Fiscal Outlook 2011-12.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bills No.3 and No.4.

Table 1.3: Additional estimates and variations to outcomes from measures since the 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Clean Energy Future					
- Putting a Price on Pollution - fuel tax credit reductions	1.1	2,200	4,200	1,000	1,000
- Putting a Price on Pollution - revenue from sale of carbon units	1.1	1,051	1,606	2,460	2,300
Fringe benefits tax - reform of living-away-from-home allowances and benefits	1.1	493	1,906	2,301	2,032
Stronger Super - Superstream	1.1	18,275	62,736	91,195	71,249
Decrease in estimates (departmental)					
Personal income tax					
- 50 per cent tax discount for interest income - deferral	1.1	(2,111)	(4,691)	374	691
- standard deduction for work-related expenses and the cost of managing tax affairs - deferral	1.1	(1,927)	(11,314)	(12,632)	25,873
Net impact on estimates for outcome 1 (departmental)					
		17,981	54,443	84,698	103,145
Increase in estimates (capital)					
Stronger Super - Superstream	1.1	12,312	22,304	12,725	6,968
Net impact on estimates for outcome 1 (capital)					
		12,312	22,304	12,725	6,968

Table 1.4: Additional estimates and variations to outcomes from other variations

The ATO does not have any other variations since the 2011-12 Budget that affect additional estimates.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.5 details the additional estimates sought for the ATO through Appropriation Bill No. 3. Table 1.6 details the additional estimates sought for the ATO through Appropriation Bill No. 4.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL PROGRAMS					
Outcome 1: Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law					
- Departmental	3,146,456	3,252,169	3,270,150	17,981	-
Total	3,146,456	3,252,169	3,270,150	17,981	-

Table 1.6: Appropriation Bill (No. 4) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
Non-operating					
Equity Injection	28,639	18,380	30,692	12,312	-
Total	28,639	18,380	30,692	12,312	-

Section 2: Revisions to agency outcomes and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to the ATO's outcome or outcome strategy from that included in the *Portfolio Budget Statements 2011-12* (pages 189-190).

There has been no change to the program objective, expenses, deliverables or key performance indicators for programs 1.2 to 1.20 that affect Appropriation Bills No. 3 and No. 4.

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 1.1: Australian Taxation Office		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 and No. 3)	27	8,980
Departmental expenses		
Departmental appropriation	2,927,986	3,065,093
Expenses not requiring appropriation in budget year	144,731	135,017
Total for Program 1.1	3,072,744	3,209,090
	2010-11	2011-12
Average staffing level (number)	21,764	21,856

Program 1.1: Australian Taxation Office

There has been no change to the program objective, deliverables or key performance indicators included in the *Portfolio Budget Statements 2011-12*.

Table 2.2: Program expenses

	2010-11 Actuals \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Program Component 1.1.1 - Our expertise supports government priorities and encourages community participation					
Annual departmental expenses:					
Departmental items	356,998	371,798	376,272	368,225	362,718
Total component expenses	356,998	371,798	376,272	368,225	362,718
Program Component 1.1.2 - We support people willing to participate and make it as easy as possible for them to fulfil their responsibilities at minimum cost					
Annual departmental expenses:					
Departmental items	1,124,808	1,171,442	1,185,537	1,160,181	1,142,833
Total component expenses	1,124,808	1,171,442	1,185,537	1,160,181	1,142,833
Program Component 1.1.3 - We support and protect people by dealing with those not willing to comply					
Annual departmental expenses:					
Departmental items	1,590,911	1,656,870	1,676,805	1,640,943	1,616,406
Annual administered expenses:					
Administered items	27	8,980	8,534	12,597	6,084
Total component expenses	1,590,938	1,665,850	1,685,339	1,653,540	1,622,490
Total program expenses	3,072,744	3,209,090	3,247,148	3,181,946	3,128,041

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specific purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the ATO.

Table 3.1.1: Estimates of special account flows

		Opening balance 2011-12 2010-11	Receipts 2011-12 2010-11	Payments 2011-12 2010-11	Adjustments 2011-12 2010-11	Closing balance 2011-12 2010-11
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Excise Security Deposits	1	59	-	-	-	59
Account (A)		49	10	-	-	59
Other Trust Moneys	1	1,632	10,000	10,000	-	1,632
Account (A)		1,040	6,510	5,918	-	1,632
Superannuation Holding	1	71,757	20,200	12,900	-	79,057
Accounts Special Account (A)		83,656	4,089	15,988	-	71,757
Valuation Services Special	1	13,414	42,470	42,345	-	13,539
Account (D)		12,202	34,677	33,465	-	13,414
Total special accounts						
2011-12 Budget estimate		86,862	72,670	65,245	-	94,287
Total special accounts						
2010-11 actual		96,947	45,286	55,371	-	86,862

(A) Administered.

(D) Departmental.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Budgeted departmental comprehensive income statement

The ATO is planning a balanced budget in 2011-12 after income tax equivalents expense from the Australian Valuation Office. This excludes the impact of appropriation funding for depreciation and amortisation expenses from 2010-11 onward under the Operation Sunlight changes to agency funding.

The budgeted departmental comprehensive income statement also reflects changes arising from Budget measures as outlined in Table 2.1

Budgeted departmental balance sheet

The ATO's assets are predominantly non-financial assets. In 2011-12, the ATO is pursuing a significant capital works program to focus on:

- developing or improving internally generated systems and software to support the ATO's intention to make people's experience with the revenue systems easier, cheaper and more personalised, and to improve the integrity and flexibility of the superannuation business systems; and
- building and fitting out several new offices.

The ATO's liabilities continue to be predominantly employee entitlements.

3.2.2 Budgeted financial statements

Departmental financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	2,046,683	2,119,811	2,099,768	2,095,171	2,018,527
Supplier	1,056,806	1,097,274	1,156,243	1,092,831	1,116,418
Depreciation and amortisation	125,579	131,893	134,133	135,370	143,734
Income tax	1,416	638	705	817	923
Total expenses	3,230,484	3,349,616	3,390,849	3,324,189	3,279,602
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	71,949	91,952	95,355	98,788	104,316
Other revenue	1,992	550	574	599	625
Total revenue	73,941	92,502	95,929	99,387	104,941
Gains					
Other	11,140	3,786	3,937	4,095	4,095
Total gains	11,140	3,786	3,937	4,095	4,095
Total own-source income	85,081	96,288	99,866	103,482	109,036
Net cost of (contribution by) services	3,145,403	3,253,328	3,290,983	3,220,707	3,170,566
Appropriation revenue	3,016,437	3,123,662	3,159,495	3,088,192	3,029,936
Surplus (deficit) attributable to the Australian Government	(128,966)	(129,666)	(131,488)	(132,515)	(140,630)
Note: Reconciliation of operating result attributable to the agency					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Operating result attributable to the Australian Government	(128,966)	(129,666)	(131,488)	(132,515)	(140,630)
Plus non-appropriated expenses depreciation and amortisation expenses	125,579	131,893	134,133	135,370	143,734
Operating result attributable to the ATO	(3,387)	2,227	2,645	2,855	3,104

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and equivalents	35,464	34,002	33,189	34,812	36,409
Trade and other receivables	348,140	353,477	366,564	390,922	405,134
Total financial assets	383,604	387,479	399,753	425,734	441,543
Non-financial assets					
Land and buildings	155,142	194,866	235,635	239,123	236,685
Infrastructure, plant and equipment	87,631	76,266	64,041	64,388	66,166
Intangibles	367,238	439,430	461,767	468,215	450,449
Other	45,580	45,581	45,385	45,175	44,950
Total non-financial assets	655,591	756,143	806,828	816,901	798,250
Total assets	1,039,195	1,143,622	1,206,581	1,242,635	1,239,793
LIABILITIES					
Interest bearing liabilities					
Leases	29,254	29,254	29,254	29,254	29,254
Total interest bearing liabilities	29,254	29,254	29,254	29,254	29,254
Provisions					
Employees	694,717	732,296	739,247	757,198	768,235
Total provisions	694,717	732,296	739,247	757,198	768,235
Payables					
Suppliers	205,849	211,797	217,599	223,352	229,050
Dividends	1,653	745	823	953	1,077
Other	18,667	42,374	60,441	60,553	60,659
Total payables	226,169	254,916	278,863	284,858	290,786
Total liabilities	950,140	1,016,466	1,047,364	1,071,310	1,088,275
Net assets	89,055	127,156	159,217	171,325	151,518
EQUITY					
Contributed equity	485,444	653,956	818,328	963,904	1,085,804
Reserves	90,601	90,601	90,601	90,601	90,601
Retained surpluses or accumulated deficits	(486,990)	(617,401)	(749,712)	(883,180)	(1,024,887)
Total equity	89,055	127,156	159,217	171,325	151,518
Current assets	351,144	386,430	407,704	419,886	418,926
Non-current assets	688,051	757,192	798,877	822,749	820,867
Current liabilities	768,283	821,914	846,899	866,261	879,979
Non-current liabilities	181,857	194,552	200,465	205,049	208,296

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	82,289	91,600	94,809	98,077	103,358
Appropriations	3,060,836	3,083,365	3,145,651	3,065,204	3,020,333
Interest	617	475	499	524	550
Other	162,941	189,659	189,278	170,963	174,006
Total cash received	3,306,683	3,365,099	3,430,237	3,334,768	3,298,247
Cash used					
Employees	2,030,345	2,088,043	2,089,579	2,073,580	2,006,510
Suppliers	1,153,842	1,181,524	1,249,395	1,181,090	1,204,746
Income taxes paid	1,390	638	705	817	923
Other	60,643	69,961	72,548	76,705	80,395
Total cash used	3,246,220	3,340,166	3,412,227	3,332,192	3,292,574
Net cash from or (used by) operating activities	60,463	24,933	18,010	2,576	5,673
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	1,094	-	-	-	-
Total cash received	1,094	-	-	-	-
Cash used					
Purchase of property, plant and equipment	148,217	232,016	184,767	145,576	124,899
Total cash used	148,217	232,016	184,767	145,576	124,899
Net cash from or (used by) investing activities	(147,123)	(232,016)	(184,767)	(145,576)	(124,899)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	85,890	206,366	166,767	145,576	121,900
Total cash received	85,890	206,366	166,767	145,576	121,900
Cash used					
Dividends paid	1,056	745	823	953	1,077
Total cash used	1,056	745	823	953	1,077
Net cash from or (used by) financing activities	84,834	205,621	165,944	144,623	120,823
Net increase or (decrease) in cash held	(1,826)	(1,462)	(813)	1,623	1,597
Cash at the beginning of the reporting period	37,290	35,464	34,002	33,189	34,812
Cash at the end of the reporting period	35,464	34,002	33,189	34,812	36,409

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	(486,990)	90,601	-	485,444	89,055
Adjusted opening balance	(486,990)	90,601	-	485,444	89,055
Transactions with owners					
<i>Operating result after extraordinary items</i>	(129,666)	-	-	-	(129,666)
<i>Distribution to owners</i>					
Returns on capital dividends	(745)	-	-	-	(745)
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Injection for capital works	-	-	-	30,692	30,692
Injection for departmental capital budget	-	-	-	137,820	137,820
Total transactions with owners	(130,411)	-	-	168,512	38,101
Estimated closing balance as at 30 June 2012	(617,401)	90,601	-	653,956	127,156

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	137,310	137,820	111,101	112,016	113,432
Equity injections - Bill 2	28,639	30,692	53,271	33,560	8,468
Total capital appropriations	165,949	168,512	164,372	145,576	121,900
Represented by:					
Purchase of non-financial assets	165,949	168,512	164,372	145,576	121,900
Total represented by	165,949	168,512	164,372	145,576	121,900
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	35,013	68,546	55,666	33,560	8,468
Funded by capital appropriation - DCB	71,087	137,820	111,101	112,016	113,432
Funded internally from departmental resources	-	25,650	18,000	-	3,000
TOTAL	106,100	232,016	184,767	145,576	124,900
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	106,100	232,016	184,767	145,576	124,900
Total cash used to acquire assets	106,100	232,016	184,767	145,576	124,900

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — Departmental

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	164,540	117,283	798,860	1,080,683
Accumulated depreciation/amortisation and impairment	9,429	28,955	431,860	470,244
Opening net book balance	155,111	88,328	367,000	610,439
Capital asset additions				
By purchase - appropriation equity	8,565	-	59,981	68,546
By purchase - appropriation ordinary annual services	64,970	14,389	84,111	163,470
Total additions	73,535	14,389	144,092	232,016
Other movements				
Depreciation/amortisation expense	33,780	26,451	71,662	131,893
Total other movements	33,780	26,451	71,662	131,893
As at 30 June 2012				
Gross book value	238,075	131,672	942,952	1,312,699
Accumulated depreciation/amortisation and impairment	43,209	55,406	503,522	602,137
Closing net book balance	194,866	76,266	439,430	710,562

Prepared on Australian Accounting Standards basis.

Schedule of administered activity

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation					
Income tax	204,734,487	236,180,000	260,890,000	279,960,000	296,160,000
Indirect tax	75,132,076	77,940,000	82,740,000	85,330,000	89,340,000
Other taxes, fees and fines	1,022,361	584,000	609,000	634,000	660,000
Total taxation	280,888,924	314,704,000	344,239,000	365,924,000	386,160,000
Total revenues administered on behalf of government	280,888,924	314,704,000	344,239,000	365,924,000	386,160,000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Subsidies	5,956,404	6,838,042	7,019,117	7,808,163	7,697,043
Personal benefits	1,136,153	1,599,000	2,255,600	2,321,600	2,368,700
Suppliers	27	8,980	8,534	12,597	6,084
Write down and impairment of assets	5,744,740	5,232,045	5,990,733	6,372,931	6,748,530
Finance costs	655,267	330,000	330,000	330,000	330,000
Other	287,957	271,000	282,000	293,000	305,000
Total expenses administered on behalf of government	13,780,548	14,279,067	15,885,984	17,138,291	17,455,357

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	290,867	290,867	290,867	290,867	290,867
Receivables	16,301,094	18,426,049	20,326,316	22,240,385	24,282,855
Accrued revenues	10,346,331	10,836,331	11,276,331	11,136,331	11,661,331
Total financial assets	26,938,292	29,553,247	31,893,514	33,667,583	36,235,053
Total assets administered on behalf of government	26,938,292	29,553,247	31,893,514	33,667,583	36,235,053
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Provisions					
Taxation refunds provided	1,415,716	1,415,716	1,415,716	1,415,716	1,415,716
Other provisions	477,321	501,321	526,321	507,321	526,321
Total provisions	1,893,037	1,917,037	1,942,037	1,923,037	1,942,037
Payables					
Subsidies	1,520,286	2,086,712	2,248,267	2,445,625	2,518,053
Personal benefits payable	1,747,717	1,809,717	2,429,317	2,572,117	2,631,217
Other payables	1,065,994	1,073,294	1,081,494	1,124,694	1,123,894
Total payables	4,333,997	4,969,723	5,759,078	6,142,436	6,273,164
Total liabilities administered on behalf of government	6,227,034	6,886,760	7,701,115	8,065,473	8,215,201

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	272,293,872	306,510,000	335,540,000	357,390,000	376,440,000
Other	761,459	367,200	387,500	446,500	418,500
Total cash received	273,055,331	306,877,200	335,927,500	357,836,500	376,858,500
Cash used					
Borrowing costs	589,638	330,000	330,000	330,000	330,000
Subsidies paid	5,851,554	6,271,616	6,857,562	7,610,805	7,624,615
Personal benefits	1,647,702	1,537,000	1,636,000	2,178,800	2,309,600
Payments to suppliers	47	8,980	8,534	12,597	6,084
Other	190,207	259,900	268,300	328,300	301,300
Total cash used	8,279,148	8,407,496	9,100,396	10,460,502	10,571,599
Net cash from or (used by) operating activities	264,776,183	298,469,704	326,827,104	347,375,998	366,286,901
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account	8,279,148	8,407,496	9,100,396	10,460,502	10,571,599
Total cash received	8,279,148	8,407,496	9,100,396	10,460,502	10,571,599
Cash used					
Cash to Official Public Account	273,190,130	306,877,200	335,927,500	357,836,500	376,858,500
Total cash used	273,190,130	306,877,200	335,927,500	357,836,500	376,858,500
Net cash from or (used by) financing activities	(264,910,982)	(298,469,704)	(326,827,104)	(347,375,998)	(366,286,901)
Net increase or (decrease) in cash held	(134,799)	-	-	-	-
Cash at beginning of reporting period	425,666	290,867	290,867	290,867	290,867
Cash at end of reporting period	290,867	290,867	290,867	290,867	290,867

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of administered capital budget

The ATO does not have any administered capital.

Table 3.2.11: Schedule of asset movements — Administered

The ATO does not have any administered non-financial assets.

Notes to the financial statements

Basis of accounting

The budgeted financial statements have been prepared on an accrual basis.

Departmental

The departmental financial statements, included in Tables 3.2.1 to 3.2.6 have been prepared on the basis of Australian Accounting Standards and Department of Finance and Deregulation guidance for the preparation of financial statements.

Cost of administering the goods and services tax

Departmental statements include the estimated costs of administering the goods and services tax (GST) under the 'intergovernmental agreement on the reform of Commonwealth-State Financial Relations'. The GST revenue is collected on behalf of the States and Territories which agree to compensate the Australian Government for the agreed GST administration costs. The recovered GST administration costs are reported under the Treasury Portfolio.

Administered

The administered financial statements at Tables 3.2.7 to 3.2.9 have been prepared on the basis of Australian Accounting Standards and Department of Finance and Deregulation guidance for the preparation of financial statements.

The standards require that taxation revenues are recognised on an accrual basis when the following conditions apply:

- the taxpayer or the taxpayer group can be identified in a reliable manner;
- the amount of tax or other statutory charge is payable by the taxpayer or taxpayer group under legislative provisions; and
- the amount of the tax or statutory charge payable by the taxpayer or taxpayer group can be reliably measured, and it is probable that the amount will be collected.

The amount of taxation revenue recognised takes account of legislative steps, discretion to be exercised and any refunds and/or credit amendments to which the taxpayers may become entitled.

Recognition of taxation revenue

Taxation revenue is recognised when the Government, through the application of legislation by the ATO and other relevant activities, gains control over the future economic benefits that flow from taxes and other statutory charges. This methodology, known as the Economic Transaction Method (ETM), relies on the estimation of the probable future flows of taxes from transactions that have occurred in the economy, but have not yet been reported, and are likely to be reported to the ATO through an assessment or disclosure.

In circumstances when there is an ‘inability to measure tax revenues reliably when the underlying transactions or events occur’, the accounting standards permit an alternative approach known as the Taxation Liability Method (TLM). Under this method, taxation revenue is recognised at the earlier of when a tax liability has been assessed, or, the ATO receives payment. This recognition policy means that taxation revenue is generally measured at a later time than it would have been had it been measured under the ETM method.

In accordance with the above revenue recognition approach, the ATO uses ETM as the basis for revenue recognition, except for income tax for individuals, companies and superannuation funds, and superannuation surcharge. Revenue from these sources is recognised on a TLM basis.

Items recognised as reductions to taxation revenue

The following items are recognised as reductions (increases) to taxation revenue and not as an expense:

- refunds of revenue; and
- increase (decrease) in movement of provision for credit amendments.

PRODUCTIVITY COMMISSION

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PRODUCTIVITY COMMISSION

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Productivity Commission from that outlined in the *Portfolio Budget Statements 2011-12* (pages 325-326).

The Productivity Commission is seeking an additional \$3.9 million in departmental outputs through Appropriation Bill (No. 3) 2011-12 for the Clean Energy Future – Governance – Productivity Commission Reviews measure as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12* (page 288).

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Productivity Commission resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimates as at Budget 2011-12 \$'000	Proposed Additional Estimates 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services				
Departmental				
Prior year departmental carried forward	9,336	-	9,336	-
Departmental appropriation ²	34,448	3,859 ¹	38,307	41,424
Receipts from other sources (s31)	10	-	10	10
Total ordinary annual services	43,794	3,859	47,653	41,434
Total net resourcing for Productivity Commission	43,794	3,859	47,653	47,653

1. Appropriation Bill (No. 3) 2011-12.

2. Includes \$0.4 million in 2011-12 for the departmental capital budget (also refer Table 3.2.5).

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget.

Table 1.2: Agency measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Clean Energy Future -					
Governance - Productivity					
Commission Reviews	1.1	3,859	4,375	4,972	4,805

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates and variations resulting from new measures since the 2011-12 Budget.

Table 1.3: Additional estimates and variations to outcomes from measures since 2010-11 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Clean Energy Future -					
Governance - Productivity					
Commission Reviews	1.1	3,859	4,375	4,972	4,805
Net impact on estimates for					
Outcome 1 (departmental)		3,859	4,375	4,972	4,805

Table 1.4: Additional estimates and variations to outcomes from other variations

The Productivity Commission does not have any other variations since the 2011-12 Budget that affect Appropriation Bills No. 3 and No. 4.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.5 details the additional estimates sought for the Productivity Commission through Appropriation Bill No. 3. There are no additional estimates sought for the Productivity Commission through Appropriation Bill No. 4.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL PROGRAMS					
Outcome 1: Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective	41,424	34,448	38,307	3,859	-
Total	41,424	34,448	38,307	3,859	-

Section 2: Revisions to agency outcomes and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Productivity Commission from that included in the *Portfolio Budget Statements 2011-12* (page 328).

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective.	2010-11	2011-12
	Actual	Revised estimated resources
	\$'000	\$'000
Program 1.1: Productivity Commission		
Departmental expenses		
Ordinary annual services (Appropriation Bills No. 1 and No. 3)	37,279	37,956
Revenues from independent sources (s31)	272	10
Expenses not requiring appropriation in the Budget year	1,033	1,066
less Revenue to be carried forward	1,304	-
Total for Program 1.1	37,280	39,032
	2010-11	2011-12
Average staffing level (number)	193	199

Program 1.1: Productivity Commission

There has been no change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2011-12*.

Table 2.2: Program expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Actuals	Budget	Forward	Forward	Forward
	\$'000	\$'000	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual departmental expenses:					
Departmental items	37,280	39,032	38,701	39,455	39,398
Total departmental expenses	37,280	39,032	38,701	39,455	39,398

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

There has been no change to special account flows that affect Appropriation Bills No. 3 and No. 4.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The Productivity Commission is budgeting for a departmental breakeven operating result for 2011-12 after adjusting for non-appropriated expenses of depreciation and amortisation.

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

3.2.2 Budgeted financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	26,748	27,428	27,101	27,532	27,725
Supplier	9,437	10,553	10,598	10,920	10,769
Depreciation and amortisation	997	1,030	980	980	880
Finance costs	34	21	22	23	24
Net losses from sale	64	-	-	-	-
Total expenses	37,280	39,032	38,701	39,455	39,398
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	272	10	10	10	10
Total revenue	272	10	10	10	10
Gains					
Other gains	36	36	36	36	36
Total gains	36	36	36	36	36
Total own-source income	308	46	46	46	46
Net cost of (contribution by) services	36,972	38,986	38,655	39,409	39,352
Appropriation revenue	37,279	37,956	37,675	38,429	38,472
Surplus (deficit) attributable to the Australian Government	307	(1,030)	(980)	(980)	(880)
Note: Reconciliation of operating result attributable to the agency					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Operating result attributable to the Australian Government	307	(1,030)	(980)	(980)	(880)
Plus non-appropriated expenses depreciation and amortisation expenses	997	1,030	980	980	880
Operating result attributable to the Productivity Commission	1,304	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and equivalents	387	387	387	387	387
Trade and other receivables	15,873	16,120	16,385	16,401	16,726
Total financial assets	16,260	16,507	16,772	16,788	17,113
Non-financial assets					
Land and buildings	5,714	5,047	4,380	3,713	3,048
Infrastructure, plant and equipment	726	590	378	171	244
Intangibles	87	81	76	70	65
Other	555	555	555	555	555
Total non-financial assets	7,082	6,273	5,389	4,509	3,912
Total assets	23,342	22,780	22,161	21,297	21,025
LIABILITIES					
Provisions					
Employees	10,790	10,940	11,090	11,090	11,090
Other	386	407	429	452	476
Total provisions	11,176	11,347	11,519	11,542	11,566
Payables					
Suppliers	585	585	585	585	585
Other	2,917	2,863	2,771	2,582	2,293
Total payables	3,502	3,448	3,356	3,167	2,878
Total liabilities	14,678	14,795	14,875	14,709	14,444
Net assets	8,664	7,985	7,286	6,588	6,581
EQUITY					
Parent entity interest					
Contributed equity	1,804	2,155	2,436	2,718	3,591
Reserves	2,154	2,154	2,154	2,154	2,154
Retained surpluses or accumulated deficits	4,706	3,676	2,696	1,716	836
Total parent entity interest	8,664	7,985	7,286	6,588	6,581
Current assets	16,815	17,062	17,327	17,343	17,668
Non-current assets	6,527	5,718	4,834	3,954	3,357
Current liabilities	10,720	11,041	11,324	11,360	11,296
Non-current liabilities	3,958	3,754	3,551	3,349	3,148

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	598	10	10	10	10
Appropriations	35,037	37,399	37,410	38,413	38,147
Other	663	310	-	-	-
Total cash received	36,298	37,719	37,420	38,423	38,157
Cash used					
Employees	25,464	27,278	26,951	27,532	27,725
Suppliers	9,850	10,571	10,654	11,073	11,022
Other	2,641	-	-	-	-
Total cash used	37,955	37,849	37,605	38,605	38,747
Net cash from or (used by) operating activities	(1,657)	(130)	(185)	(182)	(590)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	5	-	-	-	-
Total cash received	5	-	-	-	-
Cash used					
Purchase of property, plant and equipment	3,464	221	96	100	283
Other	570	-	-	-	-
Total cash used	4,034	221	96	100	283
Net cash from or (used by) investing activities	(4,029)	(221)	(96)	(100)	(283)
FINANCING ACTIVITIES					
Cash received					
Appropriations - DCB	3,404	351	281	282	873
Other	2,254	-	-	-	-
Total cash received	5,658	351	281	282	873
Net cash from or (used by) financing activities	5,658	351	281	282	873
Net increase or (decrease) in cash held	(28)	-	-	-	-
Cash at the beginning of the reporting period	415	387	387	387	387
Cash at the end of the reporting period	387	387	387	387	387

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	4,706	2,154	-	1,804	8,664
Adjusted opening balance	4,706	2,154	-	1,804	8,664
Comprehensive income					
Surplus (deficit) for the period	(1,030)	-	-	-	(1,030)
Total comprehensive income	(1,030)	-	-	-	(1,030)
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (departmental capital budget)	-	-	-	351	351
Sub-total transactions with owners	-	-	-	351	351
Estimated closing balance as at 30 June 2012	3,676	2,154	-	2,155	7,985

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 - DCB	4,145	351	281	282	873
Total capital appropriations	4,145	351	281	282	873
Represented by:					
Purchase of non-financial assets	3,404	221	96	100	283
Other	741	130	185	182	590
Total represented by	4,145	351	281	282	873
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - DCB	3,404	221	96	100	283
Funded internally from departmental resources	60	-	-	-	-
TOTAL	3,464	221	96	100	283
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,464	221	96	100	283
TOTAL	3,464	221	96	100	283

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements — Departmental (2011-12)

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011				
Gross book value	6,116	929	562	7,607
less Accumulated depreciation/ amortisation	402	203	475	1,080
Opening net book balance	5,714	726	87	6,527
Asset movements				
Additions		201	20	221
less Depreciation/amortisation expense	667	337	26	1,030
Total asset movements	(667)	(136)	(6)	(809)
As at 30 June 2012				
Gross book value	6,116	1,130	582	7,828
less Accumulated depreciation/ amortisation	1,069	540	501	2,110
Closing net book balance	5,047	590	81	5,718

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

The Productivity Commission's budgeted statements are prepared on an accrual basis in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.