

## Section 5: Budgeted Financial Statements

### 5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

An analysis of the Department's budgeted financial statements as reflected in the Department's budgeted departmental and administered financial statements for 2006-07 is below.

#### Departmental

The departmental budgeted financial statements include the Department of Health and Ageing, the Therapeutic Goods Administration (TGA), Office of Gene Technology Regulator (OGTR), and National Industrial Chemicals Notification and Assessments Scheme (NICNAS).

#### Income Statement

The Department is expecting an operating surplus of \$4.441 million in 2005-06 and small operating surplus's in all of the forward years.

#### Revenues

Forecasted 2006-07 revenues have increased by \$31.529 million to \$601.887 million. This increase is primarily due to new measures or variations announced since the last budget.

#### Expenses

Employee and supplier expenses are expected to increase in 2006-07 by \$35.777 million. The increase in the forward estimates from 2005-06 is primarily caused by the application of indexation to the expense estimates and the funding patterns associated with government measures.

Depreciation and amortisation charges are expected to increase over the forward years to 2008-09. This represents continued asset replacement, office fit-outs and software enhancements.

#### Balance Sheet

The Department's cash and receivable balances will remain relatively stable across the forward years.

Land and Buildings, Infrastructure, Plant and Equipment are expected to increase slightly over the forward years to 2007-08 consistent with continued asset replacement.

In 2006-07, there will be a significant increase in Intangibles as a result of the development and implementation of systems to support:

- The *Investing in Australia's Aged Care: More Places, Better Care* measure announced in the 2004-05 Budget;
- The *Australia-United States Free Trade Agreement* measure announced in the 2005-06 Budget; and
- The Department's corporate infrastructure.

Other provisions and payables are expected to steadily increase across the budget and forward years.

### **Capital Budget Statement**

In 2006-07, the Department will receive capital funding of \$12.741. This will enable the development of systems for a number of Budget measures and provide office accommodation to support the implementation of the mental health measures.

### **Administered**

#### **Income Statement**

##### Revenues

The revenue forecast remains relatively constant across the budget and forward years. The primary sources of revenue include:

- The receipt of the Private Health Insurance Administration Council Levy.
- The Medical Indemnity Run Off Cover Scheme and IBNR Levy

##### Expenses

##### Subsidies

Subsidies are expected to increase by \$398.890 million (8 per cent) from 2005-06 to 2006-07. Forward year growth in subsidies is expected to average around 7 per cent.

##### Grants

Grants are expected to increase by \$1,222.061 million (9 per cent) in 2006-07.

##### Personal Benefits

Personal Benefits are expected to increase by \$1,136.999 million (6 per cent) from 2005-06 to 2006-07 due to increases in Medicare, Pharmaceutical Benefits Scheme and the Private Health Insurance Rebate.

#### **Balance Sheet**

The Administered Balance Sheet primarily reports movements in liabilities including accrued liabilities for unpaid amounts relating to medical benefits, pharmaceutical benefits and the private health insurance rebate at the end of the financial year.

### **Capital Budget Statement**

The Department will receive an additional \$48.009 million in 2006-07 for the purchase of vaccines and anti-viral medications to enhance the national drug stockpile and ensure the ability of the health system to provide a comprehensive and sustained response to a major health emergency.

## 5.2: BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted Departmental Income Statement (for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>Income</b>					
<b>Revenues from ordinary activities</b>					
Appropriation revenues	480,223	511,900	479,519	474,225	473,814
Other revenues from related entities	4,933	4,957	5,012	5,646	6,462
Goods and services	84,271	84,415	97,270	99,876	102,341
Interest	-	-	1,485	1,522	1,561
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Reversals of previous asset w rite-dow ns	-	-	-	-	-
Resources received free of charge	615	615	617	619	621
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	316	-	-	-	-
<b>Revenues from ordinary activities</b>	<b>570,358</b>	<b>601,887</b>	<b>583,903</b>	<b>581,888</b>	<b>584,799</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	355,283	379,402	376,438	373,519	369,784
Suppliers	197,031	206,737	190,397	192,157	200,281
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	12,308	14,209	15,414	14,751	12,957
Write-dow n of assets and impairment of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	1,295	1,346	1,398	1,453	1,509
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>565,917</b>	<b>601,694</b>	<b>583,647</b>	<b>581,880</b>	<b>584,531</b>
Borrow ing costs expense	-	-	-	-	-
Share of net profits or (losses) of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-

**Table 5.1: Budgeted Departmental Income Statement (for the period ended 30 June) (cont)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>Operating surplus or (deficit) from ordinary activities</b>	4,441	193	256	8	268
Gain or (loss) on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Net surplus or (deficit)</b>	4,441	193	256	8	268
Outside equity interests in net surplus or (deficit)	-	-	-	-	-
<b>Net surplus or deficit attributable to the Australian Government</b>	4,441	193	256	8	268
Net credit or (debit) to asset revaluation reserve	-	-	-	-	-
Net exchange difference recognised as a direct debit or (credit) to equity	-	-	-	-	-
Adjustments arising from standards recognised as direct debit or (credit) to equity	-	-	-	-	-
Initial adjustments from transitional UIG consensus view recognised as direct debit or (credit) to equity	-	-	-	-	-
<b>Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity</b>	-	-	-	-	-
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>	4,441	193	256	8	268

## Section 5—Budgeted Financial Statements

Table 5.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	3,550	4,376	4,302	4,431	5,701
Receivables	115,044	109,469	104,877	112,180	116,704
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>118,594</b>	<b>113,845</b>	<b>109,179</b>	<b>116,611</b>	<b>122,405</b>
<b>Non-financial assets</b>					
Land and buildings	31,184	32,419	36,218	32,482	30,140
Infrastructure, plant and equipment	6,036	6,396	6,130	5,887	5,651
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	413	413	413	413	413
Intangibles	27,903	44,918	40,976	36,905	33,364
Other non-financial assets	2,483	2,483	2,483	2,483	2,483
<b>Total non-financial assets</b>	<b>68,019</b>	<b>86,629</b>	<b>86,220</b>	<b>78,170</b>	<b>72,051</b>
<b>Total assets</b>	<b>186,613</b>	<b>200,474</b>	<b>195,399</b>	<b>194,781</b>	<b>194,456</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Other Debt	2,500	2,500	2,500	2,500	2,500
<b>Total interest bearing liabilities</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
<b>Provisions</b>					
Employees	98,450	97,962	92,671	91,519	89,548
Other provisions	10,849	10,864	11,277	11,305	11,334
<b>Total provisions</b>	<b>109,299</b>	<b>108,826</b>	<b>103,948</b>	<b>102,824</b>	<b>100,882</b>
<b>Payables</b>					
Suppliers	40,858	44,539	44,774	46,854	49,785
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other payables	3,334	3,653	3,471	3,289	3,107
<b>Total payables</b>	<b>44,192</b>	<b>48,192</b>	<b>48,245</b>	<b>50,143</b>	<b>52,892</b>
<b>Total liabilities</b>	<b>155,991</b>	<b>159,518</b>	<b>154,693</b>	<b>155,467</b>	<b>156,274</b>

**Table 5.2: Budgeted Departmental Balance Sheet (as at 30 June) (cont)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	18,027	28,168	29,062	29,062	29,062
Reserves	10,848	10,848	10,848	10,848	10,848
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	1,747	1,940	796	(596)	(1,728)
<b>Total parent entity interest</b>	<b>30,622</b>	<b>40,956</b>	<b>40,706</b>	<b>39,314</b>	<b>38,182</b>
<b>Outside equity interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total outside equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>30,622</b>	<b>40,956</b>	<b>40,706</b>	<b>39,314</b>	<b>38,182</b>
<b>Current assets</b>	<b>139,960</b>	<b>150,356</b>	<b>146,549</b>	<b>146,086</b>	<b>145,842</b>
<b>Non-current assets</b>	<b>46,653</b>	<b>50,119</b>	<b>48,850</b>	<b>48,695</b>	<b>48,614</b>
<b>Current liabilities</b>	<b>96,714</b>	<b>98,901</b>	<b>95,910</b>	<b>96,390</b>	<b>96,890</b>
<b>Non-current liabilities</b>	<b>59,277</b>	<b>60,617</b>	<b>58,783</b>	<b>59,077</b>	<b>59,384</b>

**Table 5.3: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	90,077	89,938	103,245	106,100	109,382
Appropriations	467,884	510,772	484,009	466,936	469,360
Interest	-	-	1,485	1,522	1,561
Dividends	-	-	-	-	-
GST Receipts	21,376	23,428	22,866	23,222	24,112
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>579,337</b>	<b>624,138</b>	<b>611,605</b>	<b>597,780</b>	<b>604,415</b>
<b>Cash used</b>					
Employees	344,193	379,070	380,199	373,828	370,833
Suppliers	197,151	207,371	193,103	192,504	199,959
Grants	-	-	-	-	-
Borrowing costs	-	-	-	-	-
GST Payments	21,376	23,429	22,865	23,219	24,113
Other	2,600	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>565,320</b>	<b>609,870</b>	<b>596,167</b>	<b>589,551</b>	<b>594,905</b>
<b>Net cash from or (used by) operating activities</b>	<b>14,017</b>	<b>14,268</b>	<b>15,438</b>	<b>8,229</b>	<b>9,510</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Purchase of property, plant, equipment and intangibles	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant equipment and intangibles	21,109	32,819	15,006	6,700	6,840
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>21,109</b>	<b>32,819</b>	<b>15,006</b>	<b>6,700</b>	<b>6,840</b>
<b>Net cash from or (used by) investing activities</b>	<b>(21,109)</b>	<b>(32,819)</b>	<b>(15,006)</b>	<b>(6,700)</b>	<b>(6,840)</b>

**Table 5.3: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June) (cont)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	6,404	19,377	894	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>6,404</b>	<b>19,377</b>	<b>894</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	1,400	1,400	1,400
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>
<b>Net cash from/(used by) financing activities</b>	<b>6,404</b>	<b>19,377</b>	<b>(506)</b>	<b>(1,400)</b>	<b>(1,400)</b>
<b>Net increase or (decrease) in cash held</b>					
	<b>(688)</b>	<b>826</b>	<b>(74)</b>	<b>129</b>	<b>1,270</b>
Cash at the beginning of the reporting period	4,238	3,550	4,376	4,302	4,431
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>3,550</b>	<b>4,376</b>	<b>4,302</b>	<b>4,431</b>	<b>5,701</b>



**Table 5.4: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2006-07)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2006</b>					
Balance carried forward from previous period	1,747	10,848	-	18,027	30,622
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>1,747</b>	<b>10,848</b>	<b>-</b>	<b>18,027</b>	<b>30,622</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net operating result	193	-	-	-	193
<b>Total income and expenses recognised directly in equity</b>	<b>1,940</b>	<b>10,848</b>	<b>-</b>	<b>18,027</b>	<b>30,815</b>
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Restructuring	-	-	-	-	-
Other	-	-	-	2,600	2,600
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	12,741	12,741
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,141</b>	<b>10,141</b>
Transfers between equity components	-	-	-	-	-
<b>Closing balance as at 30 June 2007</b>	<b>1,940</b>	<b>10,848</b>	<b>-</b>	<b>28,168</b>	<b>40,956</b>

**Table 5.5: Departmental Capital Budget Statement**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	12,118	12,741	894	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>12,118</b>	<b>12,741</b>	<b>894</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	12,118	12,741	894	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	<b>12,118</b>	<b>12,741</b>	<b>894</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	12,118	12,741	894	-	-
Funded internally by					
Departmental resources	8,991	20,078	14,112	6,700	6,840
<b>Total</b>	<b>21,109</b>	<b>32,819</b>	<b>15,006</b>	<b>6,700</b>	<b>6,840</b>

**Table 5.6: Departmental Property, Plant, Equipment and Intangibles — Summary of Movement (Budget year 2006-07)**

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2006</b>					
Gross book value	150	40,529	8,076	58,702	107,457
Accumulated depreciation	-	9,495	2,040	30,799	42,334
<b>Opening net book value</b>	<b>150</b>	<b>31,034</b>	<b>6,036</b>	<b>27,903</b>	<b>65,123</b>
Additions:					
by purchase	-	5,767	1,336	25,716	32,819
by finance lease	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-
Net revaluation increment/decrement	-	-	-	-	-
Reclassifications	-	-	-	-	-
Depreciation/amortisation expense	-	4,532	976	8,701	14,209
Recoverable amount write-downs	-	-	-	-	-
Other movements	-	-	-	-	-
Disposals:					
from disposal of entities or operations (including restructuring)	-	-	-	-	-
other disposals	-	-	-	-	-
<b>As at 30 June 2007</b>					
Gross book value	150	46,296	9,412	84,418	140,276
Accumulated depreciation	-	14,028	3,016	39,500	56,543
<b>Closing net book value</b>	<b>150</b>	<b>32,269</b>	<b>6,396</b>	<b>44,918</b>	<b>83,733</b>

**Table 5.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	55,337	56,087	47,308	49,841	50,063
<b>Total taxation</b>	<b>55,337</b>	<b>56,087</b>	<b>47,308</b>	<b>49,841</b>	<b>50,063</b>
<b>Non-taxation (revenues from Government)</b>					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	4,006	4,006	4,006	4,006	4,006
Net foreign exchange gains	-	-	-	-	-
Revenues from sale of assets	-	-	-	-	-
Other sources of non tax revenue - related entities	180,000	180,000	180,000	180,000	180,000
Other sources of non tax revenue - external entities	30,754	30,058	27,422	25,127	25,129
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Total non-taxation</b>	<b>214,760</b>	<b>214,064</b>	<b>211,428</b>	<b>209,133</b>	<b>209,135</b>
<b>Total revenues administered on behalf of Government</b>	<b>270,097</b>	<b>270,151</b>	<b>258,736</b>	<b>258,974</b>	<b>259,198</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	13,029,003	14,251,064	15,037,415	15,328,453	15,713,139
Subsidies	5,052,751	5,451,641	5,858,646	6,228,599	6,628,564
Personal benefits	20,215,360	21,352,359	22,622,361	23,829,705	25,177,213
Employees	-	-	-	-	-
Suppliers	1,148	1,139	1,145	1,167	1,189
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Interest	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>38,298,262</b>	<b>41,056,203</b>	<b>43,519,567</b>	<b>45,387,924</b>	<b>47,520,105</b>

**Table 5.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash	117,368	117,368	117,368	117,368	117,368
Receivables	77,374	77,236	77,098	76,960	76,822
Investments (s.39 FMA Act)	2,252	2,252	2,252	2,252	2,252
Accrued revenues	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>196,994</b>	<b>196,856</b>	<b>196,718</b>	<b>196,580</b>	<b>196,442</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Investment properties	-	-	-	-	-
Inventories	178,320	326,329	326,329	326,329	326,329
Intangibles	-	-	-	-	-
Other non-financial assets	48,699	40,047	40,047	40,047	40,047
<b>Total non-financial assets</b>	<b>227,019</b>	<b>366,376</b>	<b>366,376</b>	<b>366,376</b>	<b>366,376</b>
<b>Total assets administered on behalf of Government</b>	<b>424,013</b>	<b>563,232</b>	<b>563,094</b>	<b>562,956</b>	<b>562,818</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Australian Government securities	-	-	-	-	-
Loans	6,632	6,632	6,632	6,632	6,632
Leases	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>6,632</b>	<b>6,632</b>	<b>6,632</b>	<b>6,632</b>	<b>6,632</b>
<b>Provisions</b>					
Employees	-	-	-	-	-
Taxation refunds provided	-	-	-	-	-
Other provisions	-	-	-	-	-
<b>Total provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payables</b>					
Suppliers	345	345	345	345	345
Grants and subsidies	771,637	843,500	908,898	965,708	1,025,838
Personal benefits payable	1,763,284	1,903,631	2,037,456	2,185,025	2,353,847
Taxation refunds due	-	-	-	-	-
Other payables	2,568	2,568	2,568	2,568	2,568
<b>Total payables</b>	<b>2,537,834</b>	<b>2,750,044</b>	<b>2,949,267</b>	<b>3,153,646</b>	<b>3,382,598</b>
<b>Total liabilities administered on behalf of Government</b>	<b>2,544,466</b>	<b>2,756,676</b>	<b>2,955,899</b>	<b>3,160,278</b>	<b>3,389,230</b>

**Table 5.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	55,337	56,087	47,308	49,841	50,063
GST Input Credit Receipts	190,000	197,254	205,931	209,683	214,908
Sales of goods	-	-	-	-	-
Rendering of services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	4,006	4,006	4,006	4,006	4,006
Other	210,754	210,196	207,560	205,265	205,267
<b>Total cash received</b>	<b>460,097</b>	<b>467,543</b>	<b>464,805</b>	<b>468,795</b>	<b>474,244</b>
<b>Cash used</b>					
Borrowing costs	-	-	-	-	-
Employees	-	-	-	-	-
GST Payments to Suppliers	190,000	197,254	205,931	209,683	214,908
Grant payments	12,910,387	14,169,263	14,970,731	15,270,357	15,651,723
Interest paid	-	-	-	-	-
Subsidies paid	5,053,706	5,452,927	5,859,932	6,229,885	6,629,850
Personal benefits	20,192,664	21,212,012	22,488,536	23,682,136	25,008,391
Suppliers	1,148	1,139	1,145	1,167	1,189
Other	61,879	148,009	-	-	-
<b>Total cash used</b>	<b>38,409,784</b>	<b>41,180,604</b>	<b>43,526,275</b>	<b>45,393,228</b>	<b>47,506,061</b>
<b>Net cash from/(used by) operating activities</b>	<b>(37,949,687)</b>	<b>(40,713,061)</b>	<b>(43,061,470)</b>	<b>(44,924,433)</b>	<b>(47,031,817)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Transfers from other entities	-	-	-	-	-
Investments (s.39 FMA Act, s.18 CAC Act, s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June) (cont)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>Cash used</b>					
Purchase of property, plant, equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from/(used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrow ing	-	-	-	-	-
GST Appropriations	190,000	197,254	205,931	209,683	214,908
Other	-	-	-	-	-
<b>Total cash received</b>	190,000	197,254	205,931	209,683	214,908
<b>Cash used</b>					
Net repayment of borrow ings	-	-	-	-	-
Dividends paid	-	-	-	-	-
Return of GST appropriations to the OPA	190,000	197,254	205,931	209,683	214,908
Other	-	-	-	-	-
<b>Total cash used</b>	190,000	197,254	205,931	209,683	214,908
<b>Net cash from/(used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	(37,949,687)	(40,713,061)	(43,061,470)	(44,924,433)	(47,031,817)
Cash at beginning of reporting period	117,368	117,368	117,368	117,368	117,368
Cash from Official Public Account for					
Appropriations	38,298,262	41,218,203	43,505,167	45,367,024	47,492,705
Special accounts	1,237,977	1,487,640	1,448,745	1,584,020	1,728,694
Capital appropriations	61,879	148,009	-	-	-
Cash to Official Public Account for					
Appropriations	270,097	270,151	258,736	258,974	259,198
Special accounts	1,378,334	1,870,640	1,633,706	1,767,637	1,930,384
<b>Cash end of reporting period</b>	117,368	117,368	117,368	117,368	117,368

**Table 5.10: Schedule of Administered Capital Budget**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered capital	209,471	48,009	-	-	-
Special appropriations	-	-	-	-	-
<b>Total capital appropriations</b>	<b>209,471</b>	<b>48,009</b>	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	209,471	48,009	-	-	-
<b>Total represented by</b>	<b>209,471</b>	<b>48,009</b>	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by Departmental resources	-	-	-	-	-



**Table 5.11: Schedule of Administered Property, Plant, Equipment and Intangibles – Summary of Movement (Budget Year 2006-07)**

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2006</b>					
Gross book value	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
<b>Opening net book value</b>	-	-	-	-	-
Additions:					
by purchase	-	-	-	-	-
by finance lease	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-
Net revaluation increment/decrement	-	-	-	-	-
Reclassifications	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-
Other movements	-	-	-	-	-
Disposals:					
from disposal of entities or operations (including restructuring)	-	-	-	-	-
other disposals	-	-	-	-	-
<b>As at 30 June 2007</b>					
Gross book value	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
<b>Closing net book value</b>	-	-	-	-	-

### **5.3: NOTES TO THE FINANCIAL STATEMENTS**

The budgeted financial statements for the Department of Health and Ageing are prepared for the budget year, previous year and three forward years.

#### **Budgeted Departmental Income Statement (for the period ended 30 June)**

This statement provides a picture of the expected financial results for the agency by identifying full accrual expenses and revenues. This highlights whether the agency is operating at a sustainable level.

#### **Budgeted Departmental Balance Sheet (as at 30 June)**

The statement shows the financial position of the agency. It enables decision-makers to track the management of the agency's assets and liabilities.

#### **Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)**

Budgeted cash flows as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by characterising them into expected cash flows from operating activities, investing activities and financing activities.

#### **Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2006-07)**

This table shows the movements in equity during the budget year.

#### **Departmental Capital Budget Statement**

The capital budget statement shows all planned capital expenditure on non-financial assets, whether funded through capital appropriations for additional equity, borrowings or from funds from internal sources.

#### **Departmental Property, Plant, Equipment and Intangibles — Summary of Movement (Budget year 2006-07)**

This table shows budgeted acquisitions and disposals of the agency's non financial assets during the budget year.

#### **Schedule of Administered Activity**

##### **Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

The schedule identifies the agency's main revenues and expenses administered by the agency on behalf of the Government.

##### **Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

The schedule shows the agency's assets and liabilities administered by the agency on behalf of the Government.

**Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

The schedule shows the agency's cash flows administered on behalf of the Government.

**Schedule of Administered Capital Budget**

This schedule shows details of the agency's planned administered capital expenditure.

**Schedule of Administered Property, Plant, Equipment and Intangibles –  
Summary of Movement (Budget Year 2006-07)**

This note discloses details of the agency's movements in administered non-financial assets.

