

# NATIONAL CAPITAL AUTHORITY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION FOR 2008–09

The National Capital Authority (NCA) is established under the *Australian Capital Territory (Planning and Land Management) Act 1988* (the PALM Act).

The PALM Act establishes the NCA, prescribes its powers and functions and makes it subject to general ministerial direction. The Minister for Home Affairs administers the PALM Act.

The NCA consists of a chairman, a chief executive and three other members. The chief executive is a full-time member, and the other four members serve on a part-time basis. The chief executive manages the affairs of the NCA under the general directions of the NCA and has the responsibility of a chief executive under the *Financial Management and Accountability Act 1997* (FMA Act) and head of agency under the *Public Service Act 1999*. The NCA is a prescribed agency under the FMA Act and is principally funded through departmental and administered appropriations.

The Minister for Home Affairs has asked the Joint Standing Committee on the National Capital and External Territories to inquire into the role of the NCA. The committee has been asked to report by 30 June 2008.

### Statutory functions of the NCA

The NCA manages the continuing interests of the Commonwealth in the National Capital, including the range of functions required to plan, promote, enhance and maintain the national characteristics and qualities of the capital.

The functions of the NCA establish the extent of the Commonwealth's interest in the National Capital and are set out in section 6 of the PALM Act. They are:

- to prepare and administer a National Capital Plan
- to keep the National Capital Plan under constant review and to propose amendments to it when necessary
- on behalf of the Commonwealth, to commission works to be carried out in designated areas in accordance with the plan where neither a Department

of State of the Commonwealth nor any Commonwealth authority has the responsibility to commission those works

- to recommend to the Minister the carrying out of works that it considers desirable to maintain or enhance the character of the National Capital
- to foster an awareness of Canberra as the National Capital
- with the approval of the Minister, to perform planning services for any person or body, whether within Australia or overseas, and
- with the Minister's approval, on behalf of the Commonwealth, to manage national land designated in writing by the Minister as land required for the special purposes of Canberra as the National Capital.

These functions provide a robust framework to secure the planning and development of Canberra as the National Capital; to accommodate the seat of government and associated national and cultural requirements; to provide public places and assets for national purposes and for all Australians to visit and enjoy; to enhance the unique character and symbolic meaning of the capital; and to develop appreciation of Canberra as the National Capital.

The NCA's vision for Canberra is:

- a National Capital which symbolises Australia's heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians.

The NCA's goals are to:

- realise the promise of the city plan and the ideals of the founders
- foster Canberra as the National Capital, and
- develop the special character of the National Capital.

The Joint Standing Committee on the National Capital and External Territories is presently inquiring into the role of the NCA. The Committee is due to report on the inquiry by 30 June 2008. The Committee's report will seek to clarify the future role of the NCA including in relation to its planning, event management and maintenance functions.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Resource statement—Budget estimates for 2008–09 (as at Budget May 2008)**

|  | Estimate of<br>prior year<br>amounts<br>available in<br>2008–09<br>(\$'000) | + Proposed<br>at Budget<br>2008–09<br>(\$'000) | = Total<br>estimate<br>2008–09<br>(\$'000) | Estimated<br>appropriation<br>available<br>2007–08<br>(\$'000) |
|--|---|--|--|--|
| <b>ORDINARY ANNUAL SERVICES</b>  |   |  |  |  |
| <b>Departmental outputs</b>  |   |  |  |  |
| Departmental outputs   | 1,059 <sup>4</sup>  | 13,657 <sup>1</sup>                            | 14,716                                     | 18,750   |
| S 31 relevant agency receipts  | –   | 1,602 <sup>3</sup>                             | 1,602                                      | 1,602  |
| <b>Total departmental outputs</b>                                      | <b>1,059</b>  | <b>15,259</b>                                  | <b>16,318<sup>5</sup></b>                  | <b>20,352</b>  |
| <b>Administered expenses</b>   |   |  |  |  |
| Outcome 1  | –   | 11,070   | 11,070                                     | 11,886   |
| <b>Total administered expenses</b>                                     | <b>–</b>  | <b>11,070</b>                                  | <b>11,070</b>                              | <b>11,886</b>  |
| <b>Total ordinary annual services</b> <b>A</b>                         | <b>1,059</b>  | <b>26,329</b>                                  | <b>27,388</b>                              | <b>32,238</b>  |
| <b>OTHER SERVICES</b>  |   |  |  |  |
| <b>Administered non-operating</b>                                      |   |  |  |  |
| Administered assets and liabilities                                    | 8,000   | 24,500 <sup>2</sup>                            | 32,500                                     | 7,400  |
| <b>Total other services</b> <b>B</b>                                   | <b>8,000</b>  | <b>24,500</b>                                  | <b>32,500</b>                              | <b>7,400</b>   |
| <b>Total available annual appropriations</b>                           | <b>9,059</b>  | <b>50,829</b>                                  | <b>59,888</b>                              | <b>39,638</b>  |
| <b>SPECIAL ACCOUNTS</b>  |   |  |  |  |
| Opening balance  | 67 <sup>6</sup>   | –  | 67   | 67   |
| <b>Total special accounts</b> <b>C</b>                                 | <b>67</b>   | <b>–</b>                                       | <b>67</b>                                  | <b>67</b>  |
| <b>Total net resourcing for the National Capital Authority (A+B+C)</b> | <b>9,126</b>  | <b>50,829</b>                                  | <b>59,955</b>                              | <b>39,705</b>  |

All figures are GST exclusive.

Notes:

1. Appropriation Bill (No. 1) 2008–09.
2. Appropriation Bill (No. 2) 2008–09.
3. Section 31 relevant agency receipts—estimate.
4. Estimated adjusted balance carried forward from previous year for annual appropriations.
5. The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the outcome resource statements as they budget for estimated appropriation attributable to outcomes and not the total available. For reconciliation see Table 3.1.1.
6. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.3.

## 1.3 BUDGET MEASURES

There are no new measures for the NCA.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the government on the Australian community. Agencies are required to identify the output groups that demonstrate their contribution to government outcomes over the coming year.

The NCA's outcome is described below by outputs, including the indicators and targets used to assess and monitor performance.

#### **2.1.1 Outcome 1: A National Capital which symbolises Australia's heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians**

##### **Outcome 1 strategy**

The functions of the NCA establish the extent of the Commonwealth's interest in the National Capital and are set out in section 6 of the PALM Act. The NCA outcome and outputs are directly related to these statutory functions.

The NCA's goals are to:

- realise the promise of the city plan and the ideals of the founders
  - this is reflected in Output 1: Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance
- foster Canberra as the National Capital
  - this is reflected in Output 2: Promotion and awareness of the significance of Canberra as the National Capital, and
- develop the special character of the National Capital
  - this is reflected in Output 3: Advocacy, enhancement and management of the national capital estate.

##### **Outcome 1 resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing available for Outcome 1.

**Table 2.1: Total resources available for Outcome 1**

|   | 2008–09 total<br>estimate of<br>available<br>resources<br>(\$'000) | 2007–08<br>estimated<br>actual<br>(\$'000) |
|---|--|--|
| <b>Outcome 1</b>  |  |  |
| <b>Administered program appropriation</b>   |  |  |
| Administered expense items  | 11,070   | 11,886                                     |
| <b>Output 1: Canberra and the Australian Capital Territory are<br/>planned and developed in accordance with their national<br/>significance</b> |  |  |
| Departmental outputs  | 2,236  | 2,382                                      |
| Revenues from other sources (s 31)  | 175  | 175  |
| <b>Subtotal for Output 1</b>  | <b>2,411</b>   | <b>2,557</b>                               |
| <b>Output 2: Promotion and awareness of the significance of<br/>Canberra as the National Capital</b>  |  |  |
| Departmental outputs  | 1,526  | 3,422                                      |
| Revenues from other sources (s 31)  | 5  | 5  |
| <b>Subtotal for Output 2</b>  | <b>1,531</b>   | <b>3,427</b>                               |
| <b>Output 3: Advocacy, enhancement and management of the<br/>national capital estate</b>  |  |  |
| Departmental outputs  | 9,895  | 12,946                                     |
| Revenues from other sources (s 31)  | 1,422  | 1,422                                      |
| <b>Subtotal for Output 3</b>  | <b>11,317</b>  | <b>14,368</b>                              |
| <b>Total resources for Outcome 1</b>  | <b>26,329</b>  | <b>32,238</b>                              |
| <b>Average staffing level (number)</b>  | 51   | 56   |

Departmental appropriation splits and totals by output are indicative estimates and may change in the course of the Budget year as government priorities change.

## Contributions to Outcome 1

### Output 1

| <b>Output 1: Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance</b>  |                       |
|--|-----------------------|
| <p>The NCA has a statutory responsibility to prepare, administer, review and propose amendments to the National Capital Plan (when necessary).</p> <p>Result: <b>To realise</b> the promise of the city plan and the ideals of its founders.</p> |                       |
| <b>Key performance indicators</b>  | <b>2008–09 target</b> |
| Quantity: Number of plan amendments  | Estimate: 2           |
| Quantity: Number of works approvals  | Estimate: 300         |
| Quantity: Number of master plans/development control plans/urban design guidelines (or similar)  | Estimate: 6 in total  |
| Timeliness: Percentage of works approvals completed within 15 days   | Target: 75%           |

### Output 2

| <b>Output 2: Promotion and awareness of the significance of Canberra as the National Capital</b>  |                          |
|---|--------------------------|
| <p>The NCA has a statutory responsibility to foster an awareness of Canberra as the National Capital.</p> <p>Result: <b>To foster</b> Canberra as the National Capital.</p> |                          |
| <b>Key performance indicators</b>   | <b>2008–09 target</b>    |
| Quantity: Number of events on national land   | Estimate: 800            |
| Quantity: Number of visitors to the National Capital Exhibition   | Estimate: 260,000        |
| Quantity: Number of visits to the online educational materials section of NCA website   | Estimate: 8,000 in total |

### Output 3

| <b>Output 3: Advocacy, enhancement and management of the national capital estate</b>   |                       |
|--|-----------------------|
| <p>The NCA has a statutory responsibility to recommend and develop works to maintain and enhance the character of the National Capital. The NCA also manages assets, including National Land, required for the special purposes of Canberra as the National Capital.</p> <p>Result: <b>To develop</b> the special character of the National Capital.</p> |                       |
| <b>Key performance indicators</b>  | <b>2008–09 target</b> |
| Quantity: Number of diplomatic land rent reviews   | Target: 3             |
| Quality: Number of contract management performance peer reviews  | Target: 5             |
| Timeliness: Percentage of asset maintenance issues resolved within required timeframes   | Target: 90%           |

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the Budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of special accounts.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The agency resource statement (Table 1.1) details the total available appropriation from all sources. For departmental operating appropriation (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities (generally depreciation and employee entitlements), the total amount of departmental operating appropriation available to an agency is unlikely to be fully used in the Budget year.

The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

Table 3.1.1 reconciles the total available appropriation and amounts attributable to outcomes.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

|   | (\$'000)   |
|---|------------|
| <b>Total available departmental operating appropriation (outputs)</b>           | 16,318     |
| Less estimated payments in 2008–09  | (15,358)   |
| <b>Estimated departmental outputs carried forward and available for 2009–10</b> | <b>960</b> |

#### 3.1.2 Movement of administered funds between years

The NCA has not moved any administered funds between years.

### 3.1.3 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation.

Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by the NCA.

**Table 3.1.3: Estimates of special account cash flows and balances**

|  | Outcome | Opening balance<br>2008–09<br>2007–08<br>(\$'000) | Receipts<br>2008–09<br>2007–08<br>(\$'000) | Payments<br>2008–09<br>2007–08<br>(\$'000) | Closing balance<br>2008–09<br>2007–08<br>(\$'000) |
|--|---------|---|--|--|---|
| Other Trust Moneys—<br>FMA Act s 20 (D)  | 1<br>1  | 67<br>67  | —<br>—                                     | —<br>—                                     | 67<br>67  |
| Services for Other Governments<br>and Non-Agency Bodies —<br>FMA Act s 20 (D) <sup>1</sup> | 1<br>1  | —<br>—  | —<br>—                                     | —<br>—                                     | —<br>—  |
| <b>Total special accounts<br/>2008–09 Budget estimate</b>                                  |         | <b>67</b>   | <b>—</b>                                   | <b>—</b>                                   | <b>67</b>   |
| <b>Total special accounts<br/>2007–08 estimated actual</b>                                 |         | <b>67</b>   | <b>—</b>                                   | <b>—</b>                                   | <b>67</b>   |

(D) = Departmental.

FMA Act = *Financial Management and Accountability Act 1997*.

Note:

1. This special account is used where the NCA, in the course of providing planning services, is temporarily holding funds on behalf of another organisation. Under the *Australian Capital Territory (Planning and Land Management) Act 1988*, the NCA may, with the approval of the Minister, perform planning services for another person or organisation. The NCA does not expect to provide any such services in 2008–09.

### 3.1.4 Australian Government Indigenous expenditure

The NCA has no Australian Government Indigenous expenditure.

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Differences between agency resourcing and financial statements.

There are no significant differences between the agency resourcing and financial statements.

## 3.2.2 Analysis of budgeted financial statements

### Departmental

#### *Budgeted departmental income statement*

The NCA is budgeting for a break-even position for the 2008–09 financial year.

Total revenue and total expenses for 2008–09 are each estimated to be \$15.358m, a decrease of \$5.093m (25%) from the 2007–08 revised estimate. The decrease in revenues and expenses is largely due to the election commitment savings measure and reversal of Griffin Legacy infrastructure maintenance funding as part of the *Portfolio Additional Estimates Statements 2007–08*.

#### *Budgeted departmental balance sheet*

The NCA's total departmental assets are budgeted to increase by \$2.294m (12%) in 2008–09. The NCA is estimating an increase of \$2.294m (20%) in total liabilities at 30 June 2009 compared to 30 June 2008. The increase in both assets and liabilities is primarily related to the construction of assets funded from external sources, including commemorative works. The asset and liability increases are recognised when contributions are received to construct commemorative works. Upon completion of an asset, the work in progress and the provision are offset and the completed asset is transferred to administered assets.

### Administered

#### *Schedule of budgeted income and expenses administered on behalf of government*

In 2008–09 the NCA will receive appropriations of:

- \$10.188m for activities it administers on behalf of government, representing a decrease of 4% from 2007–08. This appropriation is directly linked to the estimated depreciation expense on the administered assets managed by the NCA and depreciation funding is used for capital expenditure, and
- \$0.882m for supplier expenses.

Revenue from administered activities includes lease revenue on diplomatic land, the value of assets funded from external sources, including commemorative works constructed and transferred from departmental activities to administered assets, and proceeds from the sale of national land for diplomatic purposes. Revenues associated with the diplomatic estate are paid directly to the Official Public Account.

*Schedule of budgeted assets and liabilities administered on behalf of government*

Total administered assets are budgeted to increase by \$24.312m (5%) in 2008–09 primarily due to the construction of new assets.

### 3.2.3 Budgeted financial statements tables

#### Departmental

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

|  | Estimated<br>actual<br>2007–08<br>(\$'000) | Budget<br>estimate<br>2008–09<br>(\$'000) | Forward<br>estimate<br>2009–10<br>(\$'000) | Forward<br>estimate<br>2010–11<br>(\$'000) | Forward<br>estimate<br>2011–12<br>(\$'000) |
|--|--|---|--|--|--|
| <b>INCOME</b>  |  |   |  |  |  |
| <b>Revenue</b>   |  |   |  |  |  |
| Revenue from government  | 18,750                                     | 13,657                                    | 14,017                                     | 14,171                                     | 14,449                                     |
| Goods and services   | 1,656                                      | 1,656                                     | 1,656                                      | 1,656                                      | 1,656                                      |
| <b>Total revenue</b>   | <b>20,406</b>                              | <b>15,313</b>                             | <b>15,673</b>                              | <b>15,827</b>                              | <b>16,105</b>                              |
| <b>Gains</b>   |  |   |  |  |  |
| Other  | 45   | 45  | 45   | 45   | 45   |
| <b>Total gains</b>   | <b>45</b>                                  | <b>45</b>                                 | <b>45</b>                                  | <b>45</b>                                  | <b>45</b>                                  |
| <b>Total income</b>  | <b>20,451</b>                              | <b>15,358</b>                             | <b>15,718</b>                              | <b>15,872</b>                              | <b>16,150</b>                              |
| <b>EXPENSES</b>  |  |   |  |  |  |
| Employees  | 7,672                                      | 6,029                                     | 6,416                                      | 6,609                                      | 6,721                                      |
| Suppliers  | 11,844                                     | 8,377                                     | 8,256                                      | 8,217                                      | 8,383                                      |
| Depreciation and amortisation  | 889  | 893                                       | 986  | 986  | 986  |
| Finance costs  | 46   | 59  | 60   | 60   | 60   |
| <b>Total expenses</b>  | <b>20,451</b>                              | <b>15,358</b>                             | <b>15,718</b>                              | <b>15,872</b>                              | <b>16,150</b>                              |
| <b>Surplus (deficit) attributable to<br/>the Australian Government</b> | <b>–</b>                                   | <b>–</b>                                  | <b>–</b>                                   | <b>–</b>                                   | <b>–</b>                                   |

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

|   | Estimated<br>actual<br>2007–08<br>(\$'000) | Budget<br>estimate<br>2008–09<br>(\$'000) | Forward<br>estimate<br>2009–10<br>(\$'000) | Forward<br>estimate<br>2010–11<br>(\$'000) | Forward<br>estimate<br>2011–12<br>(\$'000) |
|---|--|---|--|--|--|
| <b>ASSETS</b>                                 |  |   |  |  |  |
| <b>Financial assets</b>                       |  |   |  |  |  |
| Cash and cash equivalents                     | 1,401                                      | 628                                       | 621  | 621  | 621  |
| Trade and other receivables                   | 1,921                                      | 2,931                                     | 3,562                                      | 4,548                                      | 5,534                                      |
| Accrued revenue                               | 61   | 61  | 61   | 61   | 61   |
| Other   | 50   | 50  | 50   | 50   | 50   |
| <b>Total financial assets</b>                 | <b>3,433</b>                               | <b>3,670</b>                              | <b>4,294</b>                               | <b>5,280</b>                               | <b>6,266</b>                               |
| <b>Non-financial assets</b>                   |  |   |  |  |  |
| Land and buildings                            | 4,317                                      | 4,131                                     | 3,945                                      | 3,759                                      | 3,573                                      |
| Infrastructure, plant and equipment           | 10,383                                     | 12,638                                    | 6,050                                      | 5,282                                      | 4,514                                      |
| Heritage and cultural assets                  | 965  | 953                                       | 941  | 929  | 917  |
| Inventories                                   | 40   | 40  | 40   | 40   | 40   |
| Intangibles                                   | 58   | 58  | 58   | 38   | 18   |
| Other   | 136  | 136                                       | 136  | 136  | 136  |
| <b>Total non-financial assets</b>             | <b>15,899</b>                              | <b>17,956</b>                             | <b>11,170</b>                              | <b>10,184</b>                              | <b>9,198</b>                               |
| <b>Total assets</b>                           | <b>19,332</b>                              | <b>21,626</b>                             | <b>15,464</b>                              | <b>15,464</b>                              | <b>15,464</b>                              |
| <b>LIABILITIES</b>                            |  |   |  |  |  |
| <b>Interest-bearing liabilities</b>           |  |   |  |  |  |
| Leases  | 313  | 699                                       | 463  | 463  | 463  |
| <b>Total interest-bearing liabilities</b>     | <b>313</b>                                 | <b>699</b>                                | <b>463</b>                                 | <b>463</b>                                 | <b>463</b>                                 |
| <b>Provisions</b>                             |  |   |  |  |  |
| Employees                                     | 1,652                                      | 1,846                                     | 2,040                                      | 2,040                                      | 2,040                                      |
| Other   | 39   | 39  | 39   | 39   | 39   |
| <b>Total provisions</b>                       | <b>1,691</b>                               | <b>1,885</b>                              | <b>2,079</b>                               | <b>2,079</b>                               | <b>2,079</b>                               |
| <b>Payables</b>                               |  |   |  |  |  |
| Suppliers                                     | 502  | 368                                       | 254  | 254  | 254  |
| Other   | 9,010                                      | 10,858                                    | 4,852                                      | 4,852                                      | 4,852                                      |
| <b>Total payables</b>                         | <b>9,512</b>                               | <b>11,226</b>                             | <b>5,106</b>                               | <b>5,106</b>                               | <b>5,106</b>                               |
| <b>Total liabilities</b>                      | <b>11,516</b>                              | <b>13,810</b>                             | <b>7,648</b>                               | <b>7,648</b>                               | <b>7,648</b>                               |
| <b>Net assets</b>                             | <b>7,816</b>                               | <b>7,816</b>                              | <b>7,816</b>                               | <b>7,816</b>                               | <b>7,816</b>                               |
| <b>EQUITY<sup>1</sup></b>                     |  |   |  |  |  |
| <b>Parent entity interest</b>                 |  |   |  |  |  |
| Contributed equity                            | 2,600                                      | 2,600                                     | 2,600                                      | 2,600                                      | 2,600                                      |
| Reserves                                      | 1,747                                      | 1,747                                     | 1,747                                      | 1,747                                      | 1,747                                      |
| Retained surpluses or accumulated<br>deficits | 3,469                                      | 3,469                                     | 3,469                                      | 3,469                                      | 3,469                                      |
| <b>Total parent entity interest</b>           | <b>7,816</b>                               | <b>7,816</b>                              | <b>7,816</b>                               | <b>7,816</b>                               | <b>7,816</b>                               |
| <b>Total equity</b>                           | <b>7,816</b>                               | <b>7,816</b>                              | <b>7,816</b>                               | <b>7,816</b>                               | <b>7,816</b>                               |
| <b>Current assets</b>                         | <b>3,609</b>                               | <b>3,846</b>                              | <b>4,470</b>                               | <b>5,456</b>                               | <b>6,442</b>                               |
| <b>Non-current assets</b>                     | <b>15,723</b>                              | <b>17,780</b>                             | <b>10,994</b>                              | <b>10,008</b>                              | <b>9,022</b>                               |
| <b>Current liabilities</b>                    | <b>9,780</b>                               | <b>11,641</b>                             | <b>5,463</b>                               | <b>5,463</b>                               | <b>5,463</b>                               |
| <b>Non-current liabilities</b>                | <b>1,736</b>                               | <b>2,169</b>                              | <b>2,185</b>                               | <b>2,185</b>                               | <b>2,185</b>                               |

Note:

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

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

|   | Estimated<br>actual<br>2007–08<br>(\$'000) | Budget<br>estimate<br>2008–09<br>(\$'000) | Forward<br>estimate<br>2009–10<br>(\$'000) | Forward<br>estimate<br>2010–11<br>(\$'000) | Forward<br>estimate<br>2011–12<br>(\$'000) |
|---|--|---|--|--|--|
| <b>OPERATING ACTIVITIES</b>                             |  |   |  |  |  |
| <b>Cash received</b>                                    |  |   |  |  |  |
| Goods and services                                      | 1,602                                      | 1,602                                     | 1,602                                      | 1,656                                      | 1,656                                      |
| Appropriations  | 18,342                                     | 12,653                                    | 13,392                                     | 13,185                                     | 14,979                                     |
| Other   | 966  | 985                                       | 995  | 892  | 981  |
| <b>Total cash received</b>                              | <b>20,910</b>                              | <b>15,240</b>                             | <b>15,989</b>                              | <b>15,733</b>                              | <b>17,616</b>                              |
| <b>Cash used</b>  |  |   |  |  |  |
| Employees   | 7,478                                      | 5,835                                     | 6,222                                      | 6,609                                      | 7,431                                      |
| Suppliers   | 11,992                                     | 8,549                                     | 8,278                                      | 8,172                                      | 9,145                                      |
| Borrowing costs   | 44   | 57  | 58   | 60   | 60   |
| Other   | 986  | 1,008                                     | 1,002                                      | 892  | 981  |
| <b>Total cash used</b>                                  | <b>20,500</b>                              | <b>15,449</b>                             | <b>15,560</b>                              | <b>15,733</b>                              | <b>17,616</b>                              |
| <b>Net cash from (used by)<br/>operating activities</b> | <b>410</b>                                 | <b>(209)</b>                              | <b>429</b>                                 | <b>–</b>                                   | <b>–</b>                                   |
| <b>INVESTING ACTIVITIES</b>                             |  |   |  |  |  |
| <b>Cash received</b>                                    |  |   |  |  |  |
| Contributions for memorials                             | 4,000                                      | 3,000                                     | 2,000                                      | –  | –  |
| <b>Total cash received</b>                              | <b>4,000</b>                               | <b>3,000</b>                              | <b>2,000</b>                               | <b>–</b>                                   | <b>–</b>                                   |
| <b>Cash used</b>  |  |   |  |  |  |
| Purchase of property, plant and<br>equipment            | 200  | 200                                       | 200  | –  | –  |
| Construction of memorials                               | 4,000                                      | 3,000                                     | 2,000                                      | –  | –  |
| <b>Total cash used</b>                                  | <b>4,200</b>                               | <b>3,200</b>                              | <b>2,200</b>                               | <b>–</b>                                   | <b>–</b>                                   |
| <b>Net cash from (used by)<br/>investing activities</b> | <b>(200)</b>                               | <b>(200)</b>                              | <b>(200)</b>                               | <b>–</b>                                   | <b>–</b>                                   |
| <b>FINANCING ACTIVITIES</b>                             |  |   |  |  |  |
| <b>Cash used</b>  |  |   |  |  |  |
| Lease repayments  | 230  | 364                                       | 236  | –  | –  |
| <b>Total cash used</b>                                  | <b>230</b>                                 | <b>364</b>                                | <b>236</b>                                 | <b>–</b>                                   | <b>–</b>                                   |
| <b>Net cash from (used by)<br/>financing activities</b> | <b>(230)</b>                               | <b>(364)</b>                              | <b>(236)</b>                               | <b>–</b>                                   | <b>–</b>                                   |
| <b>Net increase (decrease) in cash<br/>held</b>         | <b>(20)</b>                                | <b>(773)</b>                              | <b>(7)</b>                                 | <b>–</b>                                   | <b>–</b>                                   |
| Cash at the beginning of the<br>reporting period        | 1,421                                      | 1,401                                     | 628  | 621  | 621  |
| <b>Cash at the end of the reporting<br/>period</b>      | <b>1,401</b>                               | <b>628</b>                                | <b>621</b>                                 | <b>621</b>                                 | <b>621</b>                                 |

**Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2008–09)**

|   | Retained earnings<br>(\$'000) | Asset revaluation reserve<br>(\$'000) | Contributed equity/<br>capital<br>(\$'000) | Total equity<br>(\$'000) |
|---|-------------------------------|---------------------------------------|--|--------------------------|
| <b>Opening balance as at 1 July 2008</b>            |                               |                                       |  |                          |
| Balance carried forward from previous period        | 3,469                         | 1,747                                 | 2,600                                      | 7,816                    |
| <b>Income and expenses</b>                          |                               |                                       |  |                          |
| Net operating result                                | –                             | –                                     | –  | –                        |
| <b>Total income and expenses</b>                    | –                             | –                                     | –  | –                        |
| <b>Estimated closing balance as at 30 June 2009</b> | <b>3,469</b>                  | <b>1,747</b>                          | <b>2,600</b>                               | <b>7,816</b>             |

**Administered****Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

|  | Estimated actual<br>2007–08<br>(\$'000) | Budget estimate<br>2008–09<br>(\$'000) | Forward estimate<br>2009–10<br>(\$'000) | Forward estimate<br>2010–11<br>(\$'000) | Forward estimate<br>2011–12<br>(\$'000) |
|--|---|--|---|---|---|
| <b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>         |   |  |   |   |   |
| <b>Revenue</b>   |   |  |   |   |   |
| <b>Non-taxation</b>  |   |  |   |   |   |
| Goods and services   | 924                                     | 924                                    | 924                                     | 924                                     | 924                                     |
| <b>Total non-taxation</b>                                  | <b>924</b>                              | <b>924</b>                             | <b>924</b>                              | <b>924</b>                              | <b>924</b>                              |
| <b>Total revenue administered on behalf of government</b>  | <b>924</b>                              | <b>924</b>                             | <b>924</b>                              | <b>924</b>                              | <b>924</b>                              |
| <b>Gains</b>   |   |  |   |   |   |
| Other gains  | –                                       | 1,000                                  | 8,000                                   | –                                       | –                                       |
| <b>Total gains administered on behalf of government</b>    | <b>–</b>                                | <b>1,000</b>                           | <b>8,000</b>                            | <b>–</b>                                | <b>–</b>                                |
| <b>Total income administered on behalf of government</b>   | <b>924</b>                              | <b>1,924</b>                           | <b>8,924</b>                            | <b>924</b>                              | <b>924</b>                              |
| <b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>       |   |  |   |   |   |
| Suppliers  | 859                                     | 882                                    | 904                                     | 922                                     | 941                                     |
| Depreciation and amortisation                              | 11,027                                  | 10,188                                 | 11,081                                  | 12,376                                  | 14,153                                  |
| <b>Total expenses administered on behalf of government</b> | <b>11,886</b>                           | <b>11,070</b>                          | <b>11,985</b>                           | <b>13,298</b>                           | <b>15,094</b>                           |

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

|   | Estimated<br>actual<br>2007-08<br>(\$'000) | Budget<br>estimate<br>2008-09<br>(\$'000) | Forward<br>estimate<br>2009-10<br>(\$'000) | Forward<br>estimate<br>2010-11<br>(\$'000) | Forward<br>estimate<br>2011-12<br>(\$'000) |
|---|--|---|--|--|--|
| <b>ASSETS ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>            |  |   |  |  |  |
| <b>Financial assets</b>   |  |   |  |  |  |
| Cash and cash equivalents   | 28   | 26  | 24   | 20   | 20   |
| Receivables   | 215  | 215                                       | 215  | 215  | 215  |
| <b>Total financial assets</b>                                     | <b>243</b>                                 | <b>241</b>                                | <b>239</b>                                 | <b>235</b>                                 | <b>235</b>                                 |
| <b>Non-financial assets</b>                                       |  |   |  |  |  |
| Land and buildings  | 230,757                                    | 230,710                                   | 230,658                                    | 230,601                                    | 230,539                                    |
| Infrastructure, plant and equipment                               | 208,144                                    | 232,164                                   | 233,314                                    | 232,174                                    | 229,262                                    |
| Heritage and cultural assets                                      | 25,356                                     | 25,695                                    | 33,016                                     | 32,337                                     | 31,658                                     |
| Inventories   | 85   | 85  | 85   | 85   | 85   |
| <b>Total non-financial assets</b>                                 | <b>464,342</b>                             | <b>488,654</b>                            | <b>497,073</b>                             | <b>495,197</b>                             | <b>491,544</b>                             |
| <b>Total assets administered on<br/>behalf of government</b>      | <b>464,585</b>                             | <b>488,895</b>                            | <b>497,312</b>                             | <b>495,432</b>                             | <b>491,779</b>                             |
| <b>LIABILITIES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |  |   |  |  |  |
| <b>Payables</b>   |  |   |  |  |  |
| Suppliers   | 564  | 564                                       | 564  | 564  | 564  |
| Other payables  | 31   | 31  | 31   | 31   | 31   |
| <b>Total payables</b>   | <b>595</b>                                 | <b>595</b>                                | <b>595</b>                                 | <b>595</b>                                 | <b>595</b>                                 |
| <b>Total liabilities administered on<br/>behalf of government</b> | <b>595</b>                                 | <b>595</b>                                | <b>595</b>                                 | <b>595</b>                                 | <b>595</b>                                 |

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|   | Estimated<br>actual<br>2007–08<br>(\$'000) | Budget<br>estimate<br>2008–09<br>(\$'000) | Forward<br>estimate<br>2009–10<br>(\$'000) | Forward<br>estimate<br>2010–11<br>(\$'000) | Forward<br>estimate<br>2011–12<br>(\$'000) |
|---|--|---|--|--|--|
| <b>OPERATING ACTIVITIES</b>                               |  |   |  |  |  |
| <b>Cash received</b>                                      |  |   |  |  |  |
| Sales of goods and rendering of services                  | 924  | 924                                       | 924  | 924  | 924  |
| Net GST received  | 1,142                                      | 1,134                                     | 1,134                                      | 1,038                                      | 1,038                                      |
| <b>Total cash received</b>                                | <b>2,066</b>                               | <b>2,058</b>                              | <b>2,058</b>                               | <b>1,962</b>                               | <b>1,962</b>                               |
| <b>Cash used</b>  |  |   |  |  |  |
| Suppliers   | 859  | 882                                       | 904  | 922  | 941  |
| Net GST paid  | 1,134                                      | 1,134                                     | 1,134                                      | 1,038                                      | 1,038                                      |
| <b>Total cash used</b>                                    | <b>1,993</b>                               | <b>2,016</b>                              | <b>2,038</b>                               | <b>1,960</b>                               | <b>1,979</b>                               |
| <b>Net cash from (used by) operating activities</b>       | <b>73</b>                                  | <b>42</b>                                 | <b>20</b>                                  | <b>2</b>                                   | <b>(17)</b>                                |
| <b>INVESTING ACTIVITIES</b>                               |  |   |  |  |  |
| <b>Cash used</b>  |  |   |  |  |  |
| Purchase of property, plant and equipment and intangibles | 16,400                                     | 33,500                                    | 11,500                                     | 10,500                                     | 10,500                                     |
| <b>Total cash used</b>                                    | <b>16,400</b>                              | <b>33,500</b>                             | <b>11,500</b>                              | <b>10,500</b>                              | <b>10,500</b>                              |
| <b>Net cash from (used by) investing activities</b>       | <b>(16,400)</b>                            | <b>(33,500)</b>                           | <b>(11,500)</b>                            | <b>(10,500)</b>                            | <b>(10,500)</b>                            |
| <b>FINANCING ACTIVITIES</b>                               |  |   |  |  |  |
| <b>Cash received</b>                                      |  |   |  |  |  |
| Cash from Official Public Account                         | 7,400                                      | 24,500                                    | 2,500                                      | 1,500                                      | 1,500                                      |
| <b>Total cash received</b>                                | <b>7,400</b>                               | <b>24,500</b>                             | <b>2,500</b>                               | <b>1,500</b>                               | <b>1,500</b>                               |
| <b>Net cash from (used by) financing activities</b>       | <b>7,400</b>                               | <b>24,500</b>                             | <b>2,500</b>                               | <b>1,500</b>                               | <b>1,500</b>                               |
| <b>Net increase (decrease) in cash held</b>               | <b>(8,927)</b>                             | <b>(8,958)</b>                            | <b>(8,980)</b>                             | <b>(8,998)</b>                             | <b>(9,017)</b>                             |
| Cash at beginning of reporting period                     | 28   | 28  | 26   | 24   | 20   |
| Cash from Official Public Account Appropriations          | 9,851                                      | 9,880                                     | 9,902                                      | 9,918                                      | 9,941                                      |
| Cash to Official Public Account Appropriations            | (924)                                      | (924)                                     | (924)                                      | (924)                                      | (924)                                      |
| <b>Cash at end of reporting period</b>                    | <b>28</b>                                  | <b>26</b>                                 | <b>24</b>                                  | <b>20</b>                                  | <b>20</b>                                  |

### 3.2.4 Notes to the financial statements

#### Accounting policy

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders, Australian Accounting Standards, Australian Equivalents to International Financial Reporting Standards and Accounting Guidance Releases, and having regard to the Statements of Accounting Concepts.

## Departmental

### *Revenue*

Revenue from government represents the purchase of outputs from the NCA by the government and is recognised to the extent available for drawing down from the Official Public Account.

Revenue from other sources, representing sales from goods and services, is recognised at the time of invoicing customers.

### *Gains*

Gains represent resources received free of charge. These reflect the value of the audit services provided by the Australian National Audit Office.

### *Employee expenses*

Employee expenses comprise payments and net increases in entitlements to employees for services rendered in the financial year.

### *Supplier expenses*

Supplier expenses are payments to suppliers for goods and services used in providing agency outputs.

### *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 to the NCA, using the straight-line calculation method.

### *Financial assets*

Financial assets are used to fund the NCA's minor capital program, employee entitlements, creditors and working capital.

### *Non-financial assets*

These items represent future economic benefits that the NCA will consume in producing outputs. The reported value represents the purchase price or an independent valuation less depreciation incurred to date in using the asset.

### *Provisions and payables*

Provision has been made for the NCA's liability for employee entitlements arising from services rendered by employees. This liability includes unpaid annual leave and long service leave. No provision has been made for sick leave because the level of sick leave taken is less on average than the amount which employees are entitled to each year.

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

## **Administered**

### *Revenue*

Revenue from administered activities includes lease revenue on diplomatic land, the value of assets funded from external sources, including commemorative works and memorials, constructed and transferred from departmental activities to administered assets.

### *Depreciation and amortisation*

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

## **Asset valuation for departmental and administered**

Assets were valued on a fair value basis at 30 June 2007. Fair value essentially reflects the current market value of an asset.

