

# AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION AND AUSTRALIAN INDUSTRIAL REGISTRY

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## AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION AND AUSTRALIAN INDUSTRIAL REGISTRY

### Section 1: Agency Overview

#### Australian Industrial Relations Commission

The principal function of the Australian Industrial Relations Commission (AIRC) is to give effect to the legislative framework for co-operative workplace relations which promotes the economic prosperity and welfare of the people of Australia.

#### Australian Industrial Registry

The mission of the Australian Industrial Registry (AIR) is to facilitate the operation of the Australian workplace relations system. To carry out its mission, the Registry seeks to achieve the following goals:

- provide effective administrative support to the Australian Industrial Relations Commission to assist it to meet the objectives of the *Workplace Relations Act 1996*;
- provide clients of the Australian Industrial Relations Commission/Australian Industrial Registry with efficient, effective and timely services that facilitate the objectives of the *Workplace Relations Act 1996*;
- comply with a regulatory framework and requirements both in relation to the *Workplace Relations Act 1996* and the public service environment; and
- provide Parliament and the Australian public with a service that is accountable and performed impartially.

**Table 1.1: Agency outcomes and output groups**

Outcome	Description	Output groups
<b>Outcome 1</b>	Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia.	Output Group 1.1 Dispute resolution, orders and decisions  Output Group 1.2 Registered organisations, compliance checks and investigations  Output Group 1.3 Publications and informations services

## Section 2: Agency Resources for 2006-07

### **2.1 APPROPRIATIONS AND OTHER RESOURCES**

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total appropriation for the Australian Industrial Relations Commission/ Australian Industrial Registry in the 2006-07 Budget is \$60.877 million.

**Table 2.1: Appropriations and other resources 2006-07 ('000)**

Agency/Outcome/ Non-operating	Departmental				Administered				Total	
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	Appropriation Bill No. 1 \$'000	SPP \$'000	Other (b) \$'000	Appropriation \$'000		Special Receipts (a) \$'000
Outcome 1	58,067	-	-	99	-	-	-	2,810	-	60,976
Equity injections	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Previous years' outputs	-	-	-	-	-	-	-	-	-	-
Administered assets and liabilities	-	-	-	-	-	-	-	-	-	-
Special capital Appropriation	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>58,067</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,810</b>	<b>-</b>	<b>60,976</b>

(a) Departmental and administered receipts from other sources (i.e. other than appropriation amounts) that are available to be used.  
 (b) Includes new administered expenses and administered assets and liabilities.

Notes:

- Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental loans
- Refer to Budgeted Income Statement for application of agency revenue.

## 2.2 2006-07 BUDGET MEASURES

The Australian Industrial Relations Commission/Australian Industrial Registry has no budget measures for 2006-07.

## 2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by the Australian Industrial Relations Commission/Australian Industrial Registry for provision of goods or services. These resources are approved for use by the Australian Industrial Relations Commission/Australian Industrial Registry and are included in Table 2.1.

**Table 2.3: Other resources available to be used**

	Estimated receipts 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Departmental resources</b>		
section 31 of the <i>Financial Management and Accountability Act 1997</i>	99	99
Resources received free of charge	22	22
<b>Total departmental other resources available to be used</b>	121	121

## 2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07

The Australian Industrial Relations Commission/Australian Industrial Registry has no movement of administered funds from 2005-06 to 2006-07.

## 2.5 SPECIAL APPROPRIATIONS

**Table 2.5: Estimates of expenses from special appropriations**

	Outcome	Note	Estimated expenses 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Estimated expenses</b>				
Pensions to retired AIRC Presidential Members or beneficiaries under the <i>Judges' Pension Act 1968</i> <sup>1</sup>			2,734	2,810
<b>Total estimate expenses</b>			2,734	2,810

1. The legislation establishing this special appropriation is administered by the Attorney-General's Department.

## 2.6 SPECIAL ACCOUNTS

**Table 2.6: Special accounts flows and balances**

	Outcome	Opening balance 2006-07 2005-06 \$'000	Receipts 2006-07 2005-06 \$'000	Payments 2006-07 2005-06 \$'000	Adjustments 2006-07 2005-06 \$'000	Closing balance 2006-07 2005-06 \$'000
Other Trust Moneys Account (D)	1	-	48	48	-	-
Services for Other Government and Non-Agency Bodies Account (D)	1	-	-	-	-	-
<b>Total special accounts 2006-07 Budget estimate</b>		-	-	-	-	-
Total special accounts 2005-06 estimate actual		-	48	48	-	-

(D) = Departmental

## 2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Australian Industrial Relations Commission/Australian Industrial Registry has no administered capital or departmental equity injections or loans for the 2006-07 financial year.

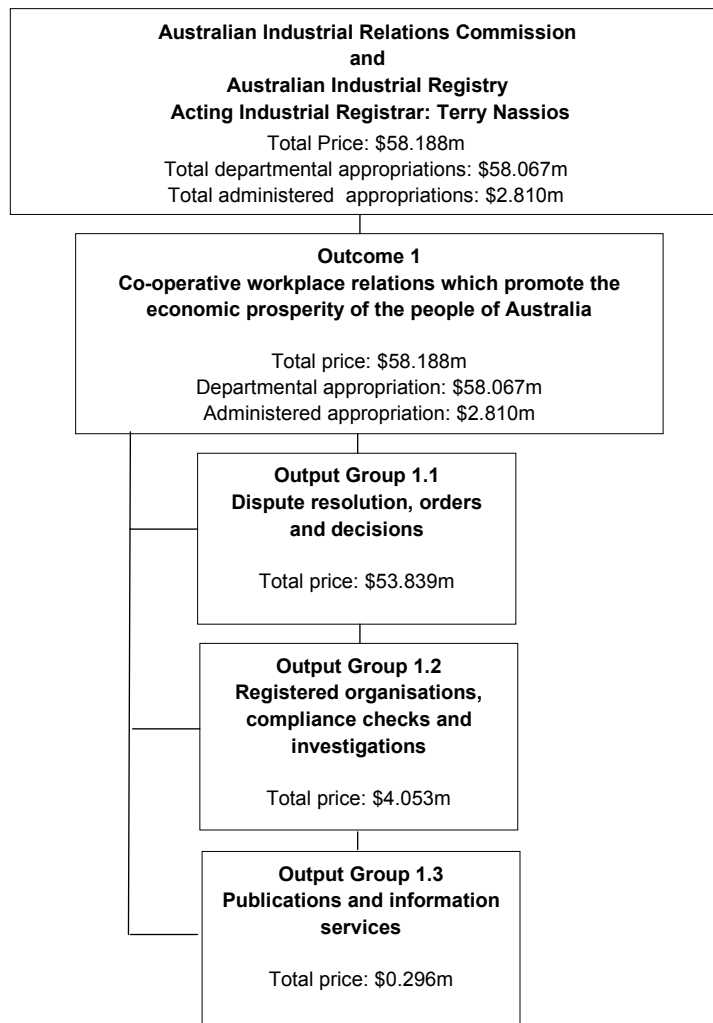
## Section 3: Agency Outcomes

General Government Sector (GGS) agencies are required to plan, budget and report under an outcomes structure. GGS agencies produce outputs (departmental items) and also administer activities and programmes on behalf of the Government (administered items). This section explains how the resources identified in Section 2 will be used to deliver outputs and administered items to contribute to the outcome for Australian Industrial Relations Commission/Australian Industrial Registry.

### **3.1 SUMMARY OF OUTCOMES, AND CONTRIBUTION TO OUTCOMES**

The relationship between activities of Australian Industrial Relations Commission/Australian Industrial Registry and the outcomes is summarised in Figure 4.

Figure 4: Contributions to outcomes



*Agency outcomes – AIRC/AIR*

## **3.2 OUTCOMES — DEPARTMENTAL AND ADMINISTERED**

### **Departmental appropriations by outcome**

The Australian Industrial Relations Commission/Australian Industrial Registry has a single outcome, “Co-operative workplace relations which promote the economic prosperity of the people of Australia”.

### **Administered appropriations by outcome**

The Australian Industrial Relations Commission/Australian Industrial Registry has a single outcome.

### **3.3 OUTCOMES AND PERFORMANCE**

#### **Outcome 1 resourcing**

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing for the outcome, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

**Table 3.1: Total resources for Outcome 1 (\$'000)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Administered appropriations</b>		
<i>Judges' Pension Act 1968</i>	2,734	2,810
<b>Total administered appropriations</b>	2,734	2,810
<b>Departmental appropriations</b>		
Output Group 1.1 - Dispute resolution, orders and decisions	49,757	53,718
Output Group 1.2 - Registered organisation, compliance checks and investigations	3,754	4,053
Output Group 1.3 - Publications and information services	274	296
<b>Total revenue from government (appropriations) Contributing to price of departmental outputs</b>	53,785	58,067
<b>Revenue from other sources</b>		
Output Group 1.1 - Dispute resolution, orders and decisions	121	121
Output Group 1.2 - Registered organisation, compliance checks and investigations	-	-
Output Group 1.3 - Publications and information services	-	-
<b>Total revenue from other sources</b>	121	121
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	53,906	58,188
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations) <sup>1</sup>	60,729	60,998
	2005-06	2006-07
<b>Average staffing level (number)</b>	227	227

1. Total price of Departmental outputs for 2005-06 includes \$4.089m to be funded from retained surpluses

## **Measures affecting Outcome 1**

### **Contributions to achievement of Outcome 1**

The AIRC/AIR's stated outcome is "Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia".

The AIRC/AIR contributes to the achievement of co-operative workplace relations through:

- providing a mechanism for the voluntary settlement of disputes;
- conciliation in relation to the termination or proposed termination of an employee's employment (and arbitration and conciliation is unsuccessful); and
- ensuring that awards provide minimum safety net entitlements for award reliant employees which avoid creating disincentives to bargain at the workplace level.

Ensuring employer/employee organisations are representative and accountable to members, operating effectively and democratically controlled through:

- determination of applications relating to registration, amalgamation, cancellation, changes in coverage and name, and rule alterations;
- timely conduct of elections; and
- submission of, and, where necessary, pursuit and investigation into, statutory reporting requirements.

Enhancing public awareness and understanding of, and access to, the role, services and procedures of the AIRC/AIR.

### **Performance information for Outcome 1**

Performance information for administered items, individual outputs and output groups relating to Australian Industrial Relations Commission/Australian Industrial Registry are summarised in Table 3.2.

**Table 3.2: Performance information for Outcome 1**

**Performance indicators for individual outputs**

**Output group 1.1: Dispute resolution, orders and decisions**

Output 1.1.1

Dispute resolution processing

Note: Dispute resolution - related applications processed under Part 13.

Quality

Improve or maintain average times taken to list dispute for resolution.

Quantity

Number of dispute resolutions conducted.

Output 1.1.2

Termination of employment application processing

Note: Termination of employment - application processing including application for costs.

Quality

Maintain or improve on time elapsed from lodgement of application to finalisation of conciliation.

Quantity

Number of termination of employment applications finalised.

Output 1.1.3

Industrial action processing

Note: Industrial action - related processing including applications for industrial action orders, protected action ballots and suspension/termination of bargaining periods.

Quality

Improve or maintain average times taken to list applications for industrial action orders.

Quantity

Number of industrial action applications determined.

Price \$53.839m

**Table 3.2: Performance information for Outcome 1 (cont)**

**Output group 1.2: Registered organisations, compliance checks and investigations**

Output 1.2.1 Application processing particularly applications for rule alterations and conduct of elections	Quality Percentage finalised within 28 days.
	Quantity Number of organisations-related applications finalised.
Output 1.2.2 Notices processing	Quality Percentage finalised within 28 days.
	Quantity Number of organisations-related applications finalised.
Output 1.2.3 Request processing	Quality Percentage finalised within 28 days.
	Quantity Number of organisations-related applications finalised.
Output 1.2.4 Compliance follow up action	Quality Percentage of further contact required after first hastener.
	Quantity Number of hasteners issued in respect to statutory returns.
	Price \$4.053m

**Table 3.2: Performance information for Outcome 1 (cont)**

<b>Output group 1.3: Publication and information services</b>	
Output 1.3.1 Publication of Commission documents	<p>Quality Maintain or improve average time taken to update an award from making of a variation.</p> <p>Quantity Number of amendments to the consolidated loose leaf awards.</p>
Output 1.3.2 Public liaison and awareness	<p>Quality Percentage of clients surveyed who deem the service provided to be of a satisfactory standard.</p> <p>Quantity Number of client contacts estimated.</p>
Output 1.3.3 Accountability to Parliament	<p>Quality Meeting of all due dates for Parliamentary questions, reports and correspondence.</p> <p>Quantity Number of questions, reports and items of correspondence finalised.</p>
	Price \$0.296m

### Evaluations for Outcome 1

Information on planned evaluation activity for the coming year that relates to this outcome is included in Table 3.2 and the results reported in the annual report.

## Section 4: Other reporting requirements

### **4.1 PURCHASER-PROVIDER ARRANGEMENTS**

The Australian Industrial Relations Commission/Australian Industrial Registry does not have any purchaser-provider arrangements.

### **4.2 COST RECOVERY ARRANGEMENTS**

The Australian Industrial Relations Commission/Australian Industrial Registry recovers costs associated with hiring out court/conference room and video conference facilities, leasing executive vehicles and copying documents.

#### **Summary of cost recovery impact statement**

The Australian Industrial Relations Commission/Australian Industrial Registry was not required to produce any Cost Recovery Impact Statements pursuant to the Commonwealth Cost Recovery Policy during the past 12 months.

### **4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)**

The Australian Industrial Relations Commission/Australian Industrial Registry has no Indigenous information to report.

## Section 5: Budgeted financial statements

### **5.1 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

An analysis of the Australian Industrial Relations Commission/Australian Industrial Registry's budgeted financial statements for 2006-07, is provided below.

#### **Departmental**

##### **Budgeted agency income statement**

The Australian Industrial Relations Commission/Australian Industrial Registry is budgeting for a break-even result in 2006-07 and for the three forward years.

Total revenue is estimated to be \$58.188m, an increase of \$4.282m from the 2005-06 estimated actual. The increase is primarily as a result of:

- the 2006-07 component of the funding of WorkChoices measure; and
- increased funding for economic parameter and judicial remuneration adjustments.

Total expenses are estimated to be \$58.188m in 2006-07.

##### **Budgeted agency balance sheet**

The Australian Industrial Relations Commission/Australian Industrial Registry's budgeted net asset of \$0.655m which is expected to remain the same for the three forward years.

Total assets for 2006-07 is estimated to be \$17.095m comprising \$12.252m in financial assets and \$4.843m in non-financial assets.

Total liabilities for 2006-07 is estimated to be \$16.440m with the primary liability being accrued employee entitlements which total \$11.539m.

#### **Administered**

##### **Budgeted revenue and expenses**

The Australian Industrial Relations Commission/Australian Industrial Registry will receive appropriation revenue of \$2.841m for the payment of pensions to retired Australian Industrial Relations Commission Presidential Members or their beneficiaries under the *Judges' Pension Act 1968*.

The Australian Industrial Relations Commission/Australian Industrial Registry also administers the collection of lodgement fees from applicants for the Australian Industrial Relations Commission to deal with claims for unlawful termination of employment. A proportion of the fees collected are refunded to applicants.

**Budgeted assets and Liabilities**

Administered liabilities of \$57.600m consist solely of the unfunded liability for the future pension payments to retired Australian Industrial Relations Commission Presidential Members or beneficiaries under the *Judges' Pension Act 1968* as calculated by the Australian Government Actuary. A corresponding receivable reflects the Government's obligation to meet the costs of the unfunded liability.

## 5.2 BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted agency income statement  
(for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	53,785	58,067	53,638	52,596	53,498
Goods and services	99	99	99	99	99
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Other	22	22	22	22	22
<b>Total revenue</b>	<b>53,906</b>	<b>58,188</b>	<b>53,759</b>	<b>52,717</b>	<b>53,619</b>
<b>Total income</b>	<b>53,906</b>	<b>58,188</b>	<b>53,759</b>	<b>52,717</b>	<b>53,619</b>
<b>EXPENSE</b>					
Employees	26,356	27,888	28,487	28,069	28,787
Suppliers	31,097	29,671	24,643	24,019	24,203
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	542	629	629	629	629
Finance costs	-	-	-	-	-
Write-down of assets and impairment of assets	-	-	-	-	-
Net losses from sale of assets	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	<b>57,995</b>	<b>58,188</b>	<b>53,759</b>	<b>52,717</b>	<b>53,619</b>
Share of operating results of associates and joint ventures accounted for using the equity method	-	-	-	-	-
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>(4,089)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.2: Budgeted agency balance sheet  
(as at 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	2,069	2,378	2,783	3,206	3,643
Receivables	9,874	9,874	9,874	9,874	9,874
Investments accounted for under the equity method	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>11,943</b>	<b>12,252</b>	<b>12,657</b>	<b>13,080</b>	<b>13,517</b>
<b>Non-financial assets</b>					
Land and buildings	2,116	2,116	2,116	2,116	2,116
Infrastructure, plant and equipment	205	205	205	205	205
Intangibles	1,210	1,210	1,210	1,210	1,210
Other	1,306	1,313	1,321	1,328	1,337
<b>Total non-financial assets</b>	<b>4,837</b>	<b>4,844</b>	<b>4,852</b>	<b>4,859</b>	<b>4,868</b>
<b>Total assets</b>	<b>16,780</b>	<b>17,096</b>	<b>17,509</b>	<b>17,939</b>	<b>18,385</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	11,254	11,540	11,916	12,309	12,714
Other	-	-	-	-	-
<b>Total provisions</b>	<b>11,254</b>	<b>11,540</b>	<b>11,916</b>	<b>12,309</b>	<b>12,714</b>
<b>Payables</b>					
Suppliers	4,871	4,901	4,938	4,975	5,016
Finance costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total payables</b>	<b>4,871</b>	<b>4,901</b>	<b>4,938</b>	<b>4,975</b>	<b>5,016</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>16,125</b>	<b>16,441</b>	<b>16,854</b>	<b>17,284</b>	<b>17,730</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,125	2,125	2,125	2,125	2,125
Reserves	205	205	205	205	205
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	(1,675)	(1,675)	(1,675)	(1,675)	(1,675)
<b>Total parent entity interest</b>	<b>655</b>	<b>655</b>	<b>655</b>	<b>655</b>	<b>655</b>
<b>Total equity</b>	<b>655</b>	<b>655</b>	<b>655</b>	<b>655</b>	<b>655</b>
<b>Current assets</b>	<b>15,357</b>	<b>15,646</b>	<b>16,024</b>	<b>16,417</b>	<b>16,826</b>
<b>Non-current assets</b>	<b>1,423</b>	<b>1,450</b>	<b>1,485</b>	<b>1,522</b>	<b>1,559</b>
<b>Current liabilities</b>	<b>7,246</b>	<b>7,387</b>	<b>7,573</b>	<b>7,766</b>	<b>7,966</b>
<b>Non-current liabilities</b>	<b>8,879</b>	<b>9,054</b>	<b>9,281</b>	<b>9,518</b>	<b>9,764</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted agency statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	99	99	99	99	99
Appropriations	57,874	58,067	53,638	52,596	53,498
Other	-	-	-	-	-
<b>Total cash received</b>	<b>57,973</b>	<b>58,166</b>	<b>53,737</b>	<b>52,695</b>	<b>53,597</b>
<b>Cash used</b>					
Employees	23,604	25,146	25,608	25,212	25,853
Suppliers	32,158	32,083	27,096	26,432	26,679
Other	-	-	-	-	-
<b>Total cash used</b>	<b>55,762</b>	<b>57,229</b>	<b>52,704</b>	<b>51,644</b>	<b>52,532</b>
<b>Net cash from or (used by) operating activities</b>	<b>2,211</b>	<b>937</b>	<b>1,033</b>	<b>1,051</b>	<b>1,065</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	2,667	628	628	628	628
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>2,667</b>	<b>628</b>	<b>628</b>	<b>628</b>	<b>628</b>
<b>Net cash from or (used by) investing activities</b>	<b>(2,667)</b>	<b>(628)</b>	<b>(628)</b>	<b>(628)</b>	<b>(628)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net increase or (decrease) in cash held</b>					
Cash at the beginning of the reporting period	2,525	2,069	2,378	2,783	3,206
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>2,069</b>	<b>2,378</b>	<b>2,783</b>	<b>3,206</b>	<b>3,643</b>

**Table 5.4: Agency statement of changes in equity — summary of movement (Budget 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 2005</b>					
Balance carried forward from previous period	(1,749)	205	-	2,125	581
Adjustment for changes in accounting policies	74	-	-	-	74
<b>Adjusted opening balance</b>	<b>(1,675)</b>	<b>205</b>	<b>-</b>	<b>2,125</b>	<b>655</b>
<b>Estimated closing balance as at 30 June 2006</b>	<b>(1,675)</b>	<b>205</b>	<b>-</b>	<b>2,125</b>	<b>655</b>

**Table 5.5: Agency capital budget statement**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	2,125	-	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>2,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	2,125	-	-	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	<b>2,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	2,125	-	-	-	-
Funded internally by Departmental resources	542	628	628	628	628
<b>Total</b>	<b>2,667</b>	<b>628</b>	<b>628</b>	<b>628</b>	<b>628</b>

**Table 5.6: Agency property, plant, equipment and intangibles - summary of movement (Budget year 2006-07)**

	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2005</b>				
Gross book value	15,903	893	2,074	18,870
Accumulated depreciation	13,787	688	864	15,339
<b>Opening net book value</b>	<b>2,116</b>	<b>205</b>	<b>1,210</b>	<b>3,531</b>
Additions:				
by purchase	369	55	204	628
by finance lease	-	-	-	-
internally developed	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-
Revaluations and impairment through equity	-	-	-	-
Reclassifications	-	-	-	-
Depreciation/amortisation expense	369	55	204	628
Impairments recognised in operating result	-	-	-	-
Other movements	(369)	(55)	(204)	(628)
Disposals:				
from disposal of entities or operations (including restructuring)	-	-	-	-
other disposals	(369)	(55)	(204)	(628)
<b>As at 30 June 2006</b>				
Gross book value	15,903	893	2,074	18,870
Accumulated depreciation	13,787	688	864	15,339
<b>Estimated closing net book value</b>	<b>2,116</b>	<b>205</b>	<b>1,210</b>	<b>3,531</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	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other sources of non-taxation revenues	162	162	162	162	162
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
<b>Total non-taxation</b>	162	162	162	162	162
<b>Total revenues administered on behalf of Government</b>	162	162	162	162	162
<b>Total income administered on behalf of Government</b>	162	162	162	162	162
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Pension payments	2,734	2,810	2,918	3,032	3,150
<b>Losses</b>					
Net foreign exchange losses	-	-	-	-	-
Net loss from sale of assets	-	-	-	-	-
Other losses	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	2,734	2,810	2,918	3,032	3,150

**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	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash	-	-	-	-	-
Receivables	57,600	57,600	57,600	57,600	57,600
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>
<b>Total non-financial assets</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>
<b>Total assets administered on behalf of Government</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Provisions</b>					
Employees	-	-	-	-	-
Taxation refunds provided	-	-	-	-	-
Australian currency on issue	-	-	-	-	-
Pensions	57,600	57,600	57,600	57,600	57,600
<b>Total provisions</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>
<b>Total liabilities administered on behalf of Government</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</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	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	162	162	162	162	162
Sales of goods	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>162</b>	<b>162</b>	<b>162</b>	<b>162</b>	<b>162</b>
<b>Cash used</b>					
Pension payments	2,734	2,810	2,918	3,032	3,150
<b>Total cash used</b>	<b>2,734</b>	<b>2,810</b>	<b>2,918</b>	<b>3,032</b>	<b>3,150</b>
<b>Net cash from or (used by) operating activities</b>	<b>(2,572)</b>	<b>(2,648)</b>	<b>(2,756)</b>	<b>(2,870)</b>	<b>(2,988)</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
Investments (s.39 FMA Act, s.18 CAC Act, s.19 CAC Act)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>					
Cash at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- appropriations	2,734	2,810	2,918	3,032	3,150
- special accounts	-	-	-	-	-
Transfers from other entities (Finance - Whole of Government)	-	-	-	-	-
Cash to Official Public Account for:					
- appropriations	(162)	(162)	(162)	(162)	(162)
- special accounts	-	-	-	-	-
<b>Cash at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Table 5.10: Schedule of administered capital budget**

The Australian Industrial Relations Commission/Australian Industry Registry has no administered capital budget.

**Table 5.11: Schedule of administered property, plant, equipment and intangibles — summary of movement (Budget year 2006-07)**

The Australian Industrial Relations Commission/Australian Industry Registry has no administered non-financial assets.

## 5.3 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 issued by the Minister for Finance and Administration.

The statements have been prepared:

- on an accrual accounting basis;
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Boards and the Consensus Views of the Urgent Issues Group; and
- having regard to Statements of Accounting Concepts.

Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards contain certain additional provisions that will apply to not-for-profit entities, including Australian Government agencies. Some of these provisions are in conflict with International Financial Reporting Standards, and therefore the Australian Industrial Registry is only able to assert that the statements have been prepared in accordance with Australian Accounting Standards.

### Departmental and administered items

Agency assets, liabilities, revenues and expenses are those items that are controlled by the Australian Industrial Relations Commission/Australian Industrial Registry including:

- computers, plant and equipment used in providing goods and services;
- liabilities for employee entitlements;
- revenues from other appropriations for resources used in providing goods and services;
- revenues from user charging etc where the proceeds are deemed appropriated under section 31 of the *Financial Management and Accountability Act 1997*; and
- employee expenses and other administrative expenses incurred in providing goods and services.

Administered assets, liabilities, revenues and expenses are those items which are controlled by the Government and managed, or overseen, by the Australian Industrial Relations Commission/Australian Industrial Registry on behalf of the Government. These items include Judges' pension payments and termination of employment lodgement fees.

**Departmental revenue from Government - ordinary annual appropriations**

Revenue from government represents the purchase of outputs from the Australian Industrial Relations Commission/Australian Industrial Registry by the Government. The changes reflected in the ordinary annual appropriations are as a result of those new measures and variations that are explained in Section 2: Agency Resources for 2006-07.

**Departmental revenue from other sources**

Revenue from other sources is comprised of revenue from the sale of goods and services and is recognised upon the delivery of the goods or services to the customer; and from resources received free of charge which is recognised only when a fair value can be reliably determined.

**Departmental expenses - employees**

Represents payments and net increases in entitlements to Australian Industrial Relations Commission Members and Australian Industrial Registry staff for services rendered in the year financial year.

**Departmental expenses - suppliers**

Represents payments to suppliers for goods and services.

**Departmental expenses - depreciation and amortisation**

Property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Australian Industrial Relations Commission/Australian Industrial Registry using, in all cases, the straight-line method of depreciation.

Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease and property, plant and equipment and intangibles at between three and ten years.

**Departmental assets and liabilities - financial assets - cash**

Cash includes notes and coins held, deposits at call with a bank or financial institution.

**Departmental assets and liabilities - financial assets - receivables**

Receivables represent amounts owing to the Australian Industrial Relations Commission/Australian Industrial Registry for goods and services that it has provided to external parties based on the amount in the 2004-05 audited financial statements.

**Departmental assets and liabilities - non-financial assets**

Represents future economic benefits that the Australian Industrial Relations Commission/Australian Industrial Registry will consume in producing outputs.

The reported value represents the purchase price paid, less depreciation incurred to date in using that asset.

Property, plant and equipment and intangibles are brought to account at cost, except for purchases costing less than \$10,000 for leasehold improvements and internally developed computer software and less than \$1,000 for all other classes, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total). Asset purchases will be sourced from existing Australian Industrial Relations Commission/Australian Industrial Registry resources.

**Departmental assets and liabilities - provisions and payables - employees**

Provision has been made for the Australian Industrial Relations Commission/Australian Industrial Registry liability for employee entitlements arising from services rendered by Australian Industrial Relations Commission Members and Australian Industrial Registry staff to balance date. This liability encompasses unpaid annual, long service and Judges' leave. No provision is made for sick leave.

The liability for leave expected to be settled within 12 months have been measured at their nominal amounts. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements, attrition rates and pay rises through promotion and salary agreements have been taken into account.

**Administered assets and liabilities**

Represents the Commonwealth Government obligation to meet the costs of the Australian Industrial Relations Commission/Australian Industrial Registry's unfunded superannuation liability for Presidential Members under the *Judges' Pensions Act 1968*.

