

# NATIONAL CAPITAL AUTHORITY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

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.

### 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.

### **Priorities for 2009–10**

During the 2009–10, the NCA will work within a business plan aimed at fulfilling its statutory functions.

Key priorities include:

- contributing to a review of planning arrangements in the ACT
- finalising heritage management plans for the Parliament House Vista and Lake Burley Griffin and Adjacent Lands, and
- undertaking land and asset management activities to fulfil the requirements of those plans.

Following the 2008 Joint Standing Committee on the National Capital and External Territories Inquiry into the role of the National Capital Authority, the Australian Government announced that a taskforce would be convened to examine the extent and delivery of Commonwealth functions in the national capital. The outcome of the taskforce is expected during 2009–10 and may impact on the priorities of the NCA.

### **Challenges**

The NCA represents the Commonwealth in the delivery of national capital functions. In this regard, one of the perpetual challenges is the appropriate balancing and management of national interest versus local interest. The NCA is continuing to improve its consultation processes with a view to reducing tensions between the national interest and local interest.

The NCA strives to maintain an open and productive working relationship with the ACT Government. This is particularly important for planning and land management activities where some areas of NCA responsibility immediately adjoin areas of ACT Government responsibility.

## **1.2 AGENCY RESOURCE STATEMENT**

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

**Table 1.1: Agency resource statement—Budget estimates for 2009–10 as at Budget, May 2009**

	Estimate of prior year amounts available in 2009–10 (\$'000)	+ Proposed at Budget 2009–10 (\$'000)	= Total estimate 2009–10 (\$'000)	Actual available appropriation 2008–09 (\$'000)
<b>ORDINARY ANNUAL SERVICES</b>				
<b>Departmental</b>				
Prior year departmental appropriation	4,520 <sup>4</sup>	–	4,520	–
Departmental appropriation	–	14,055 <sup>1</sup>	14,055	13,657
S 31 relevant agency receipts	–	1,602 <sup>3</sup>	1,602	1,602
<b>Total</b>	<b>1,000</b>	<b>15,657</b>	<b>20,177</b>	<b>15,259</b>
<b>Administered expenses</b>				
Outcome 1	–	10,738 <sup>1</sup>	10,738	11,070
<b>Total</b>	<b>–</b>	<b>10,738</b>	<b>10,738</b>	<b>11,070</b>
<b>Total ordinary annual services</b> A	<b>4,520</b>	<b>26,395</b>	<b>30,915</b>	<b>26,329</b>
<b>OTHER SERVICES</b>				
<b>Administered non-operating</b>				
Administered assets and liabilities	22,000	2,500 <sup>2</sup>	24,500	24,500
<b>Total</b>	<b>22,000</b>	<b>2,500</b>	<b>24,500</b>	<b>24,500</b>
<b>Total other services</b> B	<b>22,000</b>	<b>2,500</b>	<b>24,500</b>	<b>24,500</b>
<b>Total available annual appropriations</b>	<b>26,520</b>	<b>28,895</b>	<b>55,415</b>	<b>50,829</b>
<b>SPECIAL ACCOUNTS</b>				
Opening balance	67 <sup>5</sup>	–	67	67
<b>Total special accounts</b> C	<b>67</b>	<b>–</b>	<b>67</b>	<b>67</b>
<b>Total net resourcing for agency (A+B+C)</b>	<b>26,587</b>	<b>28,895</b>	<b>55,482</b>	<b>50,896</b>

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2009–10.
2. Appropriation Bill (No. 2) 2009–10.
3. Section 31 relevant agency receipts—estimate.
4. Estimated adjusted balance carried forward from previous year for annual appropriations.
5. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.2.

### 1.3 BUDGET MEASURES

The NCA does not have any new Budget measures.

## 1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009–10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. Figure 2 outlines the transition from the 2008–09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009–10 Budget.

**Figure 2: Transition table**

2008–09 Budget year	2009–10 Budget year
<p>Outcome 1: A National Capital which symbolises Australia’s heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians</p>	<p>Outcome 1: A National Capital which symbolises Australia’s heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians</p>
<p>Output 1: Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance <span style="float: right;">P1.1</span></p>	<p><b>Program 1.1: National capital functions</b></p> <p>Departmental items:</p> <p>Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance <span style="float: right;">O1</span></p>
<p>Output 2: Promotion and awareness of the significance of Canberra as the National Capital <span style="float: right;">P1.1</span></p>	<p>Promotion and awareness of the significance of Canberra as the national capital <span style="float: right;">O2</span></p>
<p>Output 3: Advocacy, enhancement and management of the national capital estate <span style="float: right;">P1.1</span></p>	<p>Advocacy, enhancement and management of the national capital estate <span style="float: right;">O3</span></p>
	<p><b>Program 1.2: National capital estate</b></p> <p>Administered items:</p> <p>Upgrade and renewal of national capital assets</p>

Note: P = Program, O = Output.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs, which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs that contribute to government outcomes over the Budget and forward years.

The NCA's outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the NCA in achieving government outcomes.

**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's outcome, programs, objectives and deliverables are directly related to these statutory functions.

The NCA's objectives are to:

- realise the promise of the city plan and the ideals of the founders
  - this is reflected in Program 1.1: National capital functions, Component 1.1.1: 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 Program 1.1: National capital functions, Component 1.1.2: Promotion and awareness of the significance of Canberra as the national capital
- develop the special character of the national capital
  - this is reflected in Program 1.1: National capital functions, Component 1.1.3: Advocacy, enhancement and management of the national capital estate
  - this objective is also reflected in Program 1.2: National capital estate.

## Outcome 1 budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

**Table 2.1: Budgeted expenses and resources for Outcome 1**

	2008–09 Estimated actual expenses (\$'000)	2009–10 Estimated expenses (\$'000)
<b>Outcome 1: A National Capital which symbolises Australia's heritage, values and aspirations, is internationally recognised, and worthy of pride by Australians</b>		
<b>Program 1.1: National capital functions</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	13,657	14,055
Revenues from independent sources (Section 31)	1,602	1,602
Expenses not requiring appropriation in the Budget year <sup>1</sup>	45	45
<b>Total for Program 1.1</b>	<b>15,304</b>	<b>15,702</b>
<b>Program 1.2: National capital estate</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	11,070	10,738
Other services (Appropriation Bill No. 2)	24,500	2,500
<b>Total for Program 1.2</b>	<b>35,570</b>	<b>13,238</b>
<b>Outcome 1 totals by appropriation type</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	11,070	10,738
Other services (Appropriation Bill No. 2)	24,500	2,500
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	13,657	14,055
Revenues from independent sources (Section 31)	1,602	1,602
Expenses not requiring appropriation in the Budget year <sup>1</sup>	45	45
<b>Total expenses for Outcome 1</b>	<b>50,874</b>	<b>28,940</b>
	<b>2008–09</b>	<b>2009–10</b>
<b>Average staffing level (number)</b>	46	50

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

1. Resources received free of charge.

## Contributions to Outcome 1

### Program 1.1: National capital functions

#### Program objectives

- The statutory functions of the NCA are set out in section 1.1. There is a direct relationship between the statutory functions and NCA programs, objectives and deliverables.
- The objectives of Program 1.1 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.

#### Program 1.1 expenses

Known demographic and economic factors support the view that costs of delivering Program 1.1 will move in line with general price indexation.

(\$'000)	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual departmental expenses:					
Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance	2,411	2,474	2,495	2,536	2,554
Promotion and awareness of the significance of Canberra as the national capital	1,531	1,571	1,584	1,610	1,622
Advocacy, enhancement and management of the national capital estate	11,317	11,612	11,709	11,904	11,986
Expenses not requiring appropriation in the Budget year	45	45	45	45	45
<b>Total program expenses</b>	<b>15,304</b>	<b>15,702</b>	<b>15,833</b>	<b>16,096</b>	<b>16,206</b>

**Program 1.1 deliverables**

In 2009–10 and the forward years, the NCA will:

- ensure that Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance. This will involve assessing and approving applications to undertake works in designated areas, preparing development control plans, urban design guidelines, master plans and draft amendments to the National Capital Plan
- promote awareness of the significance of Canberra as the national capital by operating the National Capital Exhibition at Regatta Point and distributing educational materials through the NCA website, and
- enhance and manage the national capital estate by recommending and developing works and managing assets (including national land, Lake Burley Griffin, a number of major roads, civil infrastructure, open spaces and heritage listed landscaped areas) that are required for the special purposes of Canberra as the national capital.

	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<b>Deliverables</b>					
<b>Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance</b>					
Draft amendments to the National Capital Plan	1	2	2	2	2
Works approvals granted	320	300	300	300	300
Master plans/development control guidelines/urban design guidelines	8	6	6	6	6
<b>Promotion and awareness of the significance of Canberra as the national capital</b>					
Events on national land	850	800	800	800	800
Visitors to the National Capital Exhibition	235,000	235,000	235,000	235,000	235,000
Visits to online education materials on NCA website	3,800	3,500	3,500	3,500	3,500
<b>Advocacy, enhancement and management of the national capital estate</b>					
Diplomatic rent reviews completed	3	1	1	2	0
Contract management peer reviews	5	5	5	5	5
Value of assets under NCA management	\$695m	\$705m	\$703m	\$700m	\$700m

**Program 1.1 key performance indicators**

Program 1.1 has three components. Key performance indicators have been developed for each component.

- Component 1.1.1: Canberra and the Australian Capital Territory are planned and developed in accordance with their national significance
  - The national significance of Canberra is reflected in the National Capital Plan. The key performance indicator focuses on ensuring development works are consistent with the National Capital Plan and assessing applications for works approval in an efficient and effective manner.
- Component 1.1.2: Promotion and awareness of the significance of Canberra as the national capital
  - The NCA will implement a new key performance indicator measuring the increased awareness of the special importance of Canberra as the national capital as a result of visiting the National Capital Exhibition.
- Component 1.1.3: Advocacy, enhancement and management of the national capital estate
  - Timely response to maintenance issues is critical the successful management of assets on national land. The NCA allocates response time targets based on the urgency of the maintenance issue. Meeting these targets is an indicator of appropriately protecting the national capital estate. The key performance indicator measures the percentage of maintenance issues addressed within the target timeframes.

<b>Key performance indicators</b>	<b>2008–09 Revised budget</b>	<b>2009–10 Budget target</b>	<b>2010–11 Forward year 1</b>	<b>2011–12 Forward year 2</b>	<b>2012–13 Forward year 3</b>
Percentage of works approval applications assessed against the National Capital Plan within 15 working days	92%	90%	90%	90%	90%
Percentage of surveyed National Capital Exhibition visitors who report an increased awareness of the special importance of Canberra as the national capital <sup>1</sup>		90%	90%	90%	90%
Percentage of building and civil infrastructure maintenance issues resolved within required timeframes	90%	90%	90%	90%	90%

1. New key performance indicator introduced in 2009–10.

### **Program 1.1 components**

The cost of each component of Program 1.1 is outlined in Table 2.1.

- The primary cost elements of Component 1.1.1 are employee expenses for planning officers and supplier expenses related to the preparation of planning documents.
- The primary cost elements of Component 1.1.2 are employee expenses associated with the operation of the National Capital Exhibition and supplier expenses related to the operation of that facility and production of education materials.
- The primary cost elements of Component 1.1.3 are external supplier expenses relating to outsourced maintenance contracts for building, civil infrastructure and open space. Employee expenses associated with the management of those outsourced contracts represent a relatively minor cost element.

### **Program 1.2: National capital estate**

#### **Program objectives**

- The statutory functions of the NCA are set out in section 1.1. There is a direct relationship between the statutory functions and NCA programs, objectives and deliverables.
- The objectives of Program 1.2 are to:
  - develop and renew the special character of the national capital estate, and
  - mitigate Commonwealth risk associated with management of the national capital estate.

**Program 1.2 expenses**

The NCA has implemented a rigorous risk management regime that aims to minimise the risk exposure for the Commonwealth.

Known demographic and economic factors support the view that costs of delivering Program 1.2 will move in line with general price indexation.

	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<b>(\$'000)</b>					
Annual administered expenses:					
Administered items	11,070	10,739	13,295	15,090	15,102
<b>Total program expenses</b>	<b>11,070</b>	<b>10,739</b>	<b>13,295</b>	<b>15,090</b>	<b>15,102</b>

**Program 1.2 deliverables**

In 2009–10 and the forward years, the NCA will:

- obtain and retain appropriate levels of insurance cover for the main risks associated with assets on national land, and
- ensure that assets on national land are developed and renewed in accordance with their national significance.

	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<b>Deliverables</b>					
Value of development and renewal works in the national capital estate	\$33.5m	\$11.5m	\$10.5m	\$10.5m	\$10.5m

**Program 1.2 key performance indicators**

The key performance indicator for Program 1.2 is:

- minimising impairment of assets on national land by obtaining and retaining appropriate levels of insurance cover.

	2008–09 Revised budget	2009–10 Budget target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<b>Key performance indicators</b>					
Number of 'impaired' assets on national land	0	0	0	0	0

**Program 1.2 components**

The main expense components of Program 1.2 are supplier expenses relating to the insurance premium for assets on national land and depreciation expense (also relating to capital assets on national land).

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements that provide a comprehensive snapshot of agency finances for the Budget year 2009–10. It explains how Budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, and special accounts.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Movement of administered funds between years

The NCA has not moved any administered funds between years.

#### 3.1.2 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 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the NCA.

**Table 3.1.2: Estimates of special account cash flows and balances**

		Opening balance 2009–10 2008–09	Receipts 2009–10 2008–09	Payments 2009–10 2008–09	Closing balance 2009–10 2008–09
	Outcome	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Other Trust Moneys—	1	67	–	–	67
FMA Act s 20 (D)	1	67	–	–	67
<b>Total special accounts 2009–10 Budget estimate</b>		<b>67</b>	<b>–</b>	<b>–</b>	<b>67</b>
<b>Total special accounts 2008–09 estimate actual</b>		<b>67</b>	<b>–</b>	<b>–</b>	<b>67</b>

(D) = Departmental.

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

#### 3.1.3 Australian Government Indigenous Expenditure

The NCA has no Indigenous-specific expenses.

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Differences in agency resourcing and financial statements

There is no significant difference between the agency resourcing and financial statements.

### 3.2.2 Analysis of budgeted financial statements

#### Departmental

##### *Income statement*

The NCA is budgeting for a break-even position for the 2009–10 financial year.

Total revenue and total expenses for 2009–10 are each estimated to be \$15.756m, an increase of \$0.398m (2.6%) from the 2008–09 revised estimate. The increase in revenues (including appropriations) and expenses is due to the election commitment savings measure and indexation.

##### *Balance sheet*

The NCA's total departmental assets are budgeted to decrease by \$0.142m (0.7%) in 2009–10. The NCA is estimating a similar decrease of \$0.142m (1.7%) in total liabilities at 30 June 2010 compared to 30 June 2009. The decrease 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*

In 2009–10 the NCA will receive appropriations of:

- \$9.833m for activities it administers on behalf of government, representing a decrease of 3.5% from 2008–09. This appropriation is directly linked to the estimated depreciation expense on the administered assets managed by the NCA. Depreciation expense will increase in forward years due to commissioning of new administered assets. The depreciation funding is used for capital expenditure, and
- \$0.906m for supplier expenses relating to the insurance premium for risks associated with assets on national land.

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*

Total administered assets are budgeted to increase by \$9.66m (1.4%) in 2009–10 primarily due to the construction of new assets.

## 3.2.3 Budgeted financial statements tables

### Departmental

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>EXPENSES</b>					
Employee benefits	6,029	6,456	6,661	6,774	6,822
Suppliers	8,377	8,254	8,126	8,276	8,341
Depreciation and amortisation	893	986	986	986	983
Finance costs	59	60	60	60	60
<b>Total expenses</b>	<b>15,358</b>	<b>15,756</b>	<b>15,833</b>	<b>16,096</b>	<b>16,206</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	1,656	1,656	1,656	1,656	1,656
<b>Total revenue</b>	<b>1,656</b>	<b>1,656</b>	<b>1,656</b>	<b>1,656</b>	<b>1,656</b>
<b>Gains</b>					
Other gains	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 own-source income</b>	<b>1,701</b>	<b>1,701</b>	<b>1,701</b>	<b>1,701</b>	<b>1,701</b>
<b>Net cost of (contribution by) services</b>	<b>(13,657)</b>	<b>(14,055)</b>	<b>(14,132)</b>	<b>(14,395)</b>	<b>(14,505)</b>
Appropriation revenue	13,657	14,055	14,132	14,395	14,505
<b>Surplus (deficit)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,844	1,837	1,837	1,837	1,837
Trade and other receivables	2,606	3,237	4,223	5,209	5,209
<b>Total financial assets</b>	<b>4,450</b>	<b>5,074</b>	<b>6,060</b>	<b>7,046</b>	<b>7,046</b>
<b>Non-financial assets</b>					
Land and buildings	7,415	7,229	7,043	6,857	6,857
Infrastructure, plant and equipment	8,114	7,546	6,778	6,010	6,228
Intangibles	160	160	140	120	120
Heritage and cultural	1,008	996	984	972	972
Other	283	283	283	283	283
<b>Total non-financial assets</b>	<b>16,980</b>	<b>16,214</b>	<b>15,228</b>	<b>14,242</b>	<b>14,460</b>
<b>Total assets</b>	<b>21,430</b>	<b>21,288</b>	<b>21,288</b>	<b>21,288</b>	<b>21,506</b>
<b>LIABILITIES</b>					
<b>Interest-bearing liabilities</b>					
Leases	775	539	539	539	539
<b>Total interest-bearing liabilities</b>	<b>775</b>	<b>539</b>	<b>539</b>	<b>539</b>	<b>539</b>
<b>Provisions</b>					
Employees	1,271	1,465	1,465	1,465	1,465
Other	41	41	41	41	41
<b>Total provisions</b>	<b>1,312</b>	<b>1,506</b>	<b>1,506</b>	<b>1,506</b>	<b>1,506</b>
<b>Payables</b>					
Suppliers	200	200	200	200	200
Other	6,315	6,215	6,215	6,215	6,433
<b>Total payables</b>	<b>6,515</b>	<b>6,415</b>	<b>6,415</b>	<b>6,415</b>	<b>6,633</b>
<b>Total liabilities</b>	<b>8,602</b>	<b>8,460</b>	<b>8,460</b>	<b>8,460</b>	<b>8,678</b>
<b>Net assets</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,600	2,600	2,600	2,600	2,600
Reserves	6,710	6,710	6,710	6,710	6,710
Retained surpluses or accumulated deficits	3,518	3,518	3,518	3,518	3,518
<b>Total parent entity interest</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>
<b>Total equity</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>	<b>12,828</b>
<b>Current assets</b>	<b>4,733</b>	<b>5,357</b>	<b>6,343</b>	<b>7,329</b>	<b>7,329</b>
<b>Non-current assets</b>	<b>16,697</b>	<b>15,931</b>	<b>14,945</b>	<b>13,959</b>	<b>14,177</b>
<b>Current liabilities</b>	<b>1,769</b>	<b>1,697</b>	<b>1,697</b>	<b>1,697</b>	<b>1,697</b>
<b>Non-current liabilities</b>	<b>6,833</b>	<b>6,763</b>	<b>6,763</b>	<b>6,763</b>	<b>6,981</b>

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

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,602	1,602	1,656	1,656	1,656
Appropriations	12,653	13,430	13,146	13,409	14,505
Other	985	995	889	903	909
<b>Total cash received</b>	<b>15,240</b>	<b>16,027</b>	<b>15,691</b>	<b>15,968</b>	<b>17,070</b>
<b>Cash used</b>					
Employees	5,835	6,262	6,661	6,762	6,822
Suppliers	8,549	8,276	8,081	8,243	8,296
Borrowing costs	57	58	60	60	60
Other	1,008	1,002	889	903	909
<b>Total cash used</b>	<b>15,449</b>	<b>15,598</b>	<b>15,691</b>	<b>15,968</b>	<b>16,087</b>
<b>Net cash from (used by) operating activities</b>	<b>(209)</b>	<b>429</b>	<b>–</b>	<b>–</b>	<b>983</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Contributions for memorials	3,000	2,000	–	–	–
<b>Total cash received</b>	<b>3,000</b>	<b>2,000</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	200	200	–	–	983
Construction of memorials	3,000	2,000	–	–	–
<b>Total cash used</b>	<b>3,200</b>	<b>2,200</b>	<b>–</b>	<b>–</b>	<b>983</b>
<b>Net cash from (used by) investing activities</b>	<b>(200)</b>	<b>(200)</b>	<b>–</b>	<b>–</b>	<b>(983)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Lease repayments	364	236	–	–	–
<b>Total cash used</b>	<b>364</b>	<b>236</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net cash from (used by) financing activities</b>	<b>(364)</b>	<b>(236)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net increase (decrease) in cash held</b>	<b>(773)</b>	<b>(7)</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cash at beginning of reporting period	2,617	1,844	1,837	1,837	1,837
<b>Cash at end of reporting period</b>	<b>1,844</b>	<b>1,837</b>	<b>1,837</b>	<b>1,837</b>	<b>1,837</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2009–10)**

	Retained earnings (\$'000)	Asset revaluation reserve (\$'000)	Contributed equity/ capital (\$'000)	Total equity (\$'000)
<b>Opening balance as at 1 July 2009</b>				
Balance carried forward from previous period	3,518	6,710	2,600	12,828
<b>Income and expenses</b>				
Surplus (deficit) for the period	–	–	–	–
<b>Total income and expenses</b>	–	–	–	–
<b>Estimated closing balance as at 30 June 2010</b>	<b>3,518</b>	<b>6,710</b>	<b>2,600</b>	<b>12,828</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>CAPITAL APPROPRIATIONS</b>					
Total capital appropriations	–	–	–	–	–
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>1</sup>	200	200	–	–	983
<b>TOTAL</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>983</b>

Prepared on Australian Accounting Standards basis.

1. Includes annual and prior year appropriations.

Table 3.2.6: Statement of departmental asset movements (2009–10)

	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Heritage & cultural assets (\$'000)	Intangibles (\$'000)	Total (\$'000)
<b>As at 1 July 2009</b>					
Gross book value	7,589	8,789	1,033	184	17,595
Accumulated depreciation/ amortisation	174	675	25	24	898
<b>Opening net book balance</b>	<b>7,415</b>	<b>8,114</b>	<b>1,008</b>	<b>160</b>	<b>16,697</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase or internally developed	–	200	–	20	220
<b>Sub-total</b>	<b>–</b>	<b>200</b>	<b>–</b>	<b>20</b>	<b>220</b>
<b>Other movements</b>					
Depreciation/amortisation expense	186	768	12	20	986
<b>As at 30 June 2010</b>					
Gross book value	7,589	8,989	1,033	204	17,815
Accumulated depreciation/ amortisation	360	1,443	37	44	1,884
<b>Closing net book balance</b>	<b>7,229</b>	<b>7,546</b>	<b>996</b>	<b>160</b>	<b>15,931</b>

Prepared on Australian Accounting Standards basis.

## Administered

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'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>1,000</b>	<b>8,000</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total income administered on behalf of government</b>	<b>1,924</b>	<b>8,924</b>	<b>924</b>	<b>924</b>	<b>924</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	882	906	919	937	949
Depreciation and amortisation	10,188	9,833	12,376	14,153	14,153
<b>Total expenses administered on behalf of government</b>	<b>11,070</b>	<b>10,739</b>	<b>13,295</b>	<b>15,090</b>	<b>15,102</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5	5	5	5	5
Receivables	564	562	558	558	558
<b>Total financial assets</b>	<b>569</b>	<b>567</b>	<b>563</b>	<b>563</b>	<b>563</b>
<b>Non-financial assets</b>					
Land and buildings	353,725	353,673	353,616	353,554	353,554
Infrastructure, plant and equipment	308,955	311,353	310,213	307,301	307,301
Heritage and cultural assets	32,722	40,043	39,364	38,685	38,685
<b>Total non-financial assets</b>	<b>695,402</b>	<b>705,069</b>	<b>703,193</b>	<b>699,540</b>	<b>699,540</b>
<b>Total assets administered on behalf of government</b>	<b>695,971</b>	<b>705,636</b>	<b>703,756</b>	<b>700,103</b>	<b>700,103</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	8	8	8	8	8
Other payables	910	910	910	910	910
<b>Total payables</b>	<b>918</b>	<b>918</b>	<b>918</b>	<b>918</b>	<b>918</b>
<b>Total liabilities administered on behalf of government</b>	<b>918</b>	<b>918</b>	<b>918</b>	<b>918</b>	<b>918</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	924	926	928	924	924
Net GST received	1,134	1,134	1,134	1,134	1,134
<b>Total cash received</b>	<b>2,058</b>	<b>2,060</b>	<b>2,062</b>	<b>2,058</b>	<b>2,058</b>
<b>Cash used</b>					
Suppliers	882	906	919	937	949
Net GST paid	1,134	1,134	1,134	1,134	1,134
<b>Total cash used</b>	<b>2,016</b>	<b>2,040</b>	<b>2,053</b>	<b>2,071</b>	<b>2,083</b>
<b>Net cash from (used by) operating activities</b>	<b>42</b>	<b>20</b>	<b>9</b>	<b>(13)</b>	<b>(25)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	33,500	11,500	10,500	10,500	10,500
<b>Total cash used</b>	<b>33,500</b>	<b>11,500</b>	<b>10,500</b>	<b>10,500</b>	<b>10,500</b>
<b>Net cash from (used by) investing activities</b>	<b>(33,500)</b>	<b>(11,500)</b>	<b>(10,500)</b>	<b>(10,500)</b>	<b>(10,500)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	24,500	2,500	1,500	1,500	1,500
<b>Total cash received</b>	<b>24,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Net cash from (used by) financing activities</b>	<b>24,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Net increase (decrease) in cash held</b>	<b>(8,958)</b>	<b>(8,980)</b>	<b>(8,991)</b>	<b>(9,013)</b>	<b>(9,025)</b>
Cash at beginning of reporting period	7	5	5	5	5
Cash from Official Public Account for:					
Appropriations	9,880	9,904	9,915	9,937	9,949
Cash to Official Public Account for:					
Appropriations	(924)	(924)	(924)	(924)	(924)
<b>Cash at end of reporting period</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of administered capital budget**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
<b>CAPITAL APPROPRIATIONS</b>					
Administered assets	24,500	2,500	1,500	1,500	1,500
<b>Total capital appropriations</b>	<b>24,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Represented by:</b>					
Purchase of non-financial assets	24,500	2,500	1,500	1,500	1,500
<b>Total represented by</b>	<b>24,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	24,500	2,500	1,500	1,500	–
Funded internally by departmental resources <sup>1</sup>	9,000	9,000	9,000	9,000	14,153
<b>TOTAL</b>	<b>33,500</b>	<b>11,500</b>	<b>10,500</b>	<b>10,500</b>	<b>14,153</b>

Prepared on Australian Accounting Standards basis.

1. Includes annual and prior year appropriations.

**Table 3.2.11: Schedule of administered asset movements (2009–10)**

	Land (\$'000)	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Heritage & cultural assets (\$'000)	Total (\$'000)
<b>As at 1 July 2009</b>					
Gross book value	344,831	9,064	323,805	33,367	711,067
Accumulated depreciation/ amortisation	–	170	14,850	645	15,665
<b>Opening net book balance</b>	<b>344,831</b>	<b>8,894</b>	<b>308,955</b>	<b>32,722</b>	<b>695,402</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase or internally developed	–	470	26,050	8,645	35,165
<b>Sub-total</b>	<b>–</b>	<b>470</b>	<b>26,050</b>	<b>8,645</b>	<b>35,165</b>
<b>Other movements</b>					
Depreciation/amortisation expense	–	352	8,802	679	9,833
<b>As at 30 June 2010</b>					
Gross book value	344,831	9,364	335,005	41,367	730,567
Accumulated depreciation/ amortisation	–	522	23,652	1,324	25,498
<b>Closing net book balance</b>	<b>344,831</b>	<b>8,842</b>	<b>311,353</b>	<b>40,043</b>	<b>705,069</b>

Prepared on Australian Accounting Standards basis.

### **3.2.4 Notes to the financial statements**

#### **Accounting policy**

The budgeted financial statements have been prepared on an accrual accounting basis, having regard to Statements of Accounting Concepts, and in accordance with the Finance Minister's Orders, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Consensus Views of the Urgent Issues Group.

#### **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 delivering programs. 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 2008. Fair value essentially reflects the current market value of an asset.