

# WORKPLACE AUTHORITY

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# WORKPLACE AUTHORITY

## Section 1: Agency overview and resources; variations and measures

### OVERVIEW

On 28 May 2007, the Government made a decision to transfer the Office of the Employment Advocate function from the Department of Employment and Workplace Relations to the Workplace Authority. The Workplace Authority was established on 1 July 2007, following the passing of the *Workplace Relations Amendment (A Stronger Safety Net) Act 2007*.

The Workplace Authority has a responsibility to provide independent advice, assistance, education and information to employers, employees and organisations on workplace relations issues, and to promote fair and flexible workplace relations practices. The Workplace Authority also ensures that workplace agreements made under the *Workplace Relations Act 1996* meet the requirements of the Fairness Test. It does this by:

- Providing effective communication, information and education services to employers, employees and independent contractors about workplace relations issues including protections, entitlements and obligations;
- Promoting agreement making options to employers and employees;
- Ensuring the availability of efficient workplace agreement lodgement facilities and processes;
- Effectively administering the Fairness Test and conducting pre-lodgement assessments, including those for prohibited content; and
- Providing advice specifically targeted at young people, and assisting other employees with specific needs.

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

Outcome	Description	Output groups
<b>Outcome 1</b>		
Employers and employees are informed of all aspects of workplace relations under Commonwealth workplace relations laws, and agreement making is fair and flexible and meets the requirements of the Fairness Test.	The Workplace Authority - provides education and information services to employers and employees on Commonwealth workplace relations laws and	Output Group 1.1 Workplace relations education and information services
	- administers Agreement Assessment	Output Group 1.2 Agreement Assessment

## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

The Workplace Authority has the following additional estimates variations:

### Departmental Outputs

The departmental output appropriation for 2007-08 has been increased to \$130.145 million (including section 32 transfers). The major variations include:

- An increase of \$75.8 million for new measures announced since the 2007-08 Budget for establishing the Workplace Authority. This is outlined in Tables 1.2 and 1.4.
- A decrease of \$30.0 million for new measures announced since the 2007-08 Budget for *A Fairer and Flexible Workplace Relations System*. This is outlined in Tables 1.2 and 1.4.
- An increase of \$84.4 million associated with the transfer of the Office of the Employment Advocate and Workplace Relations Services from the Department of Employment and Workplace Relations. This variation is outlined in Table 1.3.

### Departmental Equity Injections

A departmental equity injection of \$14.171 million has been provided for:

- Leasehold improvements and internally developed software associated with the establishment of the Workplace Authority. In addition, \$1.4 million transferred from the former Department of Employment and Workplace Relations as a section 32 transfer of capital.

**Table 1.2: Additional estimates and variations to outcomes – measures**

	2007-08 (\$'000)	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)
<b>Outcome 1</b>				
<b>Increase in estimates (departmental)</b>				
Workplace Relations Reform - establishing the Workplace Authority	75,745	71,606	76,378	76,443
<b>Total increase in estimate (departmental)</b>	<b>75,745</b>	<b>71,606</b>	<b>76,378</b>	<b>76,443</b>
<b>Decrease in estimates (departmental)</b>				
A Fairer and Flexible Workplace Relation Systems	(30,000)	(30,000)	(106,200)	(97,300)
<b>Total decrease in estimate (departmental)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(106,200)</b>	<b>(97,300)</b>
<b>Total variation of appropriation for outcome 1</b>	<b>45,745</b>	<b>41,606</b>	<b>(29,822)</b>	<b>(20,857)</b>

**Table 1.3: Additional estimates and variations to outcomes – other variations**

	2007-08 (\$'000)	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)
<b>Outcome 1</b>				
<b>Variations (departmental)</b>				
Transfer of appropriation from the Department of Employment and Workplace Relations for the establishment of the Workplace Authority	84,400	71,920	72,567	72,567
<b>Total variations in departmental appropriations</b>	<b>84,400</b>	<b>71,920</b>	<b>72,567</b>	<b>72,567</b>
<b>Total variation of appropriation for outcome 1</b>	<b>84,400</b>	<b>71,920</b>	<b>72,567</b>	<b>72,567</b>

## MEASURES — AGENCY SUMMARY

**Table 1.4: Summary of measures since the creation of the Workplace Authority**

Measure Title	Outcome	Output groups affected	2007-08 (\$'000)			2008-09 (\$'000)			2009-10 (\$'000)			2010-11 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
<b>Expense Measures</b>														
Workplace Relations Reform - establishment of the Workplace Authority	1	1.2	-	75,745	75,745	-	71,606	71,606	-	76,378	76,378	-	76,443	76,443
A Fairer and Flexible Workplace Relation Systems	1	1.2		(30,000)	(30,000)		(30,000)	(30,000)		(106,200)	(106,200)		(97,300)	(97,300)
<b>Total Expense Measures</b>			-	<b>45,745</b>	<b>45,745</b>	-	<b>41,606</b>	<b>41,606</b>	-	<b>(29,822)</b>	<b>(29,822)</b>	-	<b>(20,857)</b>	<b>(20,857)</b>
<b>Capital Measures</b>														
Workplace Relations Reform - establishment of the Workplace Authority	1	1.2	-	14,171	14,171	-	2,023	2,023	-	1,434	1,434	-	1,234	1,234
<b>Total Capital Measures</b>			-	<b>14,171</b>	<b>14,171</b>	-	<b>2,023</b>	<b>2,023</b>	-	<b>1,434</b>	<b>1,434</b>	-	<b>1,234</b>	<b>1,234</b>
<b>Total of All Measures</b>			-	<b>59,916</b>	<b>59,916</b>	-	<b>43,629</b>	<b>43,629</b>	-	<b>(28,388)</b>	<b>(28,388)</b>	-	<b>(19,623)</b>	<b>(19,623)</b>

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**Table 1.5: Appropriation Bill (No. 3) 2007-08**

	2006-07 available (\$'000)	2007-08 Budget (\$'000)	2007-08 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Employers and employees are informed of all aspects of workplace relations under Commonwealth workplace relations laws, and agreement making is fair and flexible and meets the requirements of the Fairness Test.	-	-	45,745	45,745	-

**Note 1:** 2006-07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:  
*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings - Rephasings - Other Reductions +/- Section 32*

**Note 2:** Section 32 transfer from DEWR will not appear in Appropriation Bill 3.

**Table 1.6: Appropriation Bill (No. 4) 2007-08**

	2006-07 available (\$'000)	2007-08 Budget (\$'000)	2007-08 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
<b>Non-operating</b>					
Equity injections					
Establishing the Workplace Authority	-	-	14,171	14,171	-
<b>Total non-operating</b>	-	-	<b>14,171</b>	<b>14,171</b>	-
Workplace Authority					
<b>Total</b>	-	-	<b>14,171</b>	<b>14,171</b>	-

**Note 1:** 2006-07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:  
*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings - Rephasings - Other Reductions +/- Section 32*

**Note 2:** Section 32 transfer from DEWR will not appear in Appropriation Bill 4.

**SUMMARY OF STAFFING CHANGES**

**Table 1.7: Average Staffing Level (ASL)**

	2007-08 Budget	2007-08 Revised	Variation
<b>Outcome 1</b>			
Employers and employees are informed of all aspects of workplace relations under Commonwealth workplace relations laws, and agreement making is fair and flexible and meets the requirements of the Fairness Test	-	729	729
<b>Total</b>	-	<b>729</b>	<b>729</b>

**SUMMARY OF AGENCY SAVINGS**

The Workplace Authority did not realise savings in the 2007-08 financial year.

**OTHER RESOURCES AVAILABLE TO BE USED**

The Workplace Authority has no other resources available for use in the 2007-08 financial year.

**ESTIMATES OF SPECIAL ACCOUNT FLOWS**

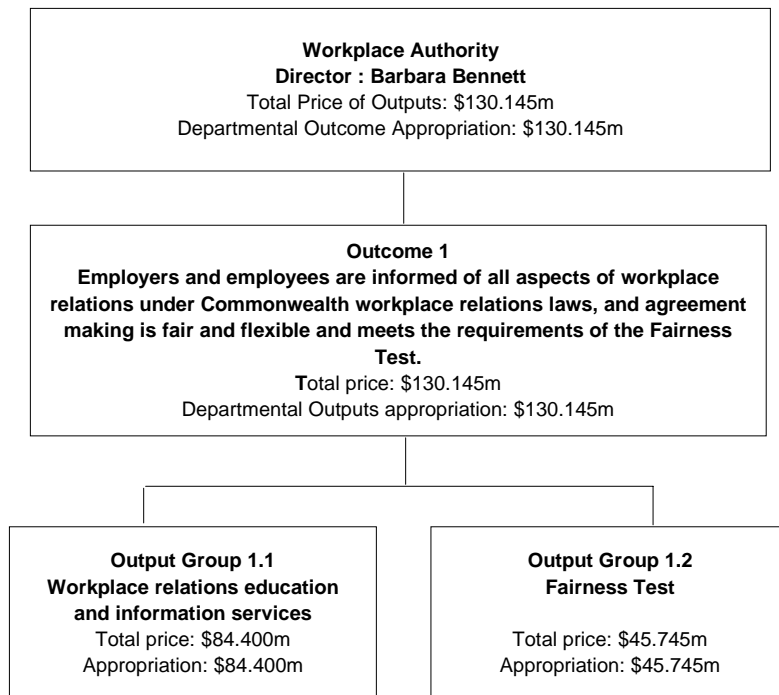
The Workplace Authority has no special accounts in the 2007-08 financial year.

## Section 2: Revisions to agency outcomes

### OUTCOMES AND OUTPUTS

Table 1.1 ‘Agency outcomes and outputs groups’ lists the outcome statements and output groups for the Workplace Authority.

**Figure 2: Outcome and output structure for all Outcomes**



**Outcome 1 - Employers and employees are informed of all aspects of workplace relations under Commonwealth workplace relations laws, and agreement making is fair and flexible and meets the requirements of the Fairness Test.**

**Explanation of Variations**

Outcome 1 has the following additional estimates variations:

**Departmental Outputs**

The departmental output appropriation for Outcome 1 in 2007-08 has increased to \$130.145 million. This is a result of:

- An increase of \$75.8 million for new measures announced since the 2007-08 Budget for Establishment of Workplace Authority.
- A decrease of \$30.0 million for new measures announced since the 2007-08 Budget for *A Fairer and Flexible Workplace Relations System*.
- An increase of \$84.4 million associated with the transfer of the Office of the Employment Advocate and Workplace Relations Services from the Department of Employment and Workplace Relations.

**Revised performance information — 2007-08**

The Workplace Authority was created on 1 July 2007. The new outcome and output performance information is detailed in Table 2.1.

**Table 2.1: Performance information for outputs affected by additional estimates — Outcome 1**

<p><b>Output Group 1.1</b> Workplace relations education and information services</p>	<p><i>Quality</i></p> <ul style="list-style-type: none"> <li>• Provide high quality and timely advice to clients on the workplace relations system, including the Fairness Test</li> </ul> <p>Target:</p> <ul style="list-style-type: none"> <li>- 80% of clients find advice and assistance timely</li> <li>- 80% of clients find advice and assistance helpful</li> <li>- 80% of clients find Workplace Authority products useful</li> </ul> <ul style="list-style-type: none"> <li>• Accessibility of services provided by the Workplace Authority</li> </ul> <p>Target:</p> <ul style="list-style-type: none"> <li>- 80% of clients find Workplace Authority products accessible</li> <li>- 80% of agreement lodgers find the system easy to use</li> <li>- Callers to the Workplace Infoline have an average wait time not exceeding 30 seconds</li> <li>- Contact centre operational 99% of advertised hours</li> <li>- Website available 99% of time</li> </ul> <p>Price \$84.400m</p>
<p><b>Output Group 1.2</b> Agreement Assessment</p>	<p><i>Quality</i></p> <ul style="list-style-type: none"> <li>• Agreements assessed accurately, consistently and promptly</li> </ul> <p>Target:</p> <ul style="list-style-type: none"> <li>- Systems, policy, procedures and processes to support the efficient and timely assessment of agreements against the Fairness Test in place by 31 December 2007</li> <li>- 80% of agreements lodged with the WPA are assessed against the Fairness Test in no more than 20 days (where all relevant information is provided at the time of lodgement) from 1 January 2008</li> </ul> <p>Price \$45.745m</p>

## **Section 3: Budgeted financial statements**

An analysis of the Workplace Authority's budgeted financial statements is provided below.

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

The Workplace Authority was created from 1 July 2007 and the budgeted financial statements which follow take effect from that date.

### **BUDGETED FINANCIAL STATEMENTS**

#### **Departmental financial statements**

##### **Budgeted departmental income statement**

WPA is budgeting to receive \$130.145 in income in 2007-08 and plans to have expense of the same amount resulting in a balanced operating result in 2007-08.

**Table 3.1: Budgeted departmental income statement  
(for the period ended 30 June)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	-	130,145	113,525	42,748	51,713
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenue</b>	-	<b>130,145</b>	<b>113,525</b>	<b>42,748</b>	<b>51,713</b>
<b>Gains</b>					
Reversals of previous asset write-downs	-	-	-	-	-
Net gains from sale of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	-	<b>130,145</b>	<b>113,525</b>	<b>42,748</b>	<b>51,713</b>
<b>EXPENSE</b>					
Employees	-	68,042	58,892	20,527	25,233
Suppliers	-	57,961	50,167	17,487	21,495
Depreciation and amortisation	-	4,142	4,466	4,734	4,985
Finance costs	-	-	-	-	-
Write-down of assets and impairment of assets	-	-	-	-	-
Net losses from sale of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	-	<b>130,145</b>	<b>113,525</b>	<b>42,748</b>	<b>51,713</b>
<b>Operating result from continuing operations</b>					
Increase / (decrease) to asset revaluation reserve	-	-	-	-	-
<b>Operating result</b>		-	-	-	-
<b>Net surplus or (deficit) attributable to the Australian Government *</b>	-	-	-	-	-

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	-	2,500	2,500	2,500	2,500
Receivables	-	13,420	18,815	19,311	25,713
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	-	<b>15,920</b>	<b>21,315</b>	<b>21,811</b>	<b>28,213</b>
<b>Non-financial assets</b>					
Land and buildings	-	28,739	25,668	22,597	19,526
Infrastructure, plant and equipment	-	1,693	1,515	1,337	1,159
Intangibles	-	8,502	10,703	12,047	12,941
Other	-	-	-	-	-
<b>Total non-financial assets</b>	-	<b>38,934</b>	<b>37,886</b>	<b>35,981</b>	<b>33,626</b>
<b>Total assets</b>	-	<b>54,854</b>	<b>59,201</b>	<b>57,792</b>	<b>61,839</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	-	8,500	7,525	2,623	3,224
Grants	-	-	-	-	-
Other payables	-	-	-	-	-
<b>Total payables</b>	-	<b>8,500</b>	<b>7,525</b>	<b>2,623</b>	<b>3,224</b>
<b>Interest bearing liabilities</b>					
Leases	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	-	7,420	9,324	9,988	10,804
Other	-	-	-	-	-
<b>Total provisions</b>	-	<b>7,420</b>	<b>9,324</b>	<b>9,988</b>	<b>10,804</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	-	<b>15,920</b>	<b>16,849</b>	<b>12,611</b>	<b>14,028</b>

**Table 3.2: Budgeted departmental balance sheet (as at 30 June) (continued)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	-	38,934	42,352	45,181	47,811
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total parent entity interest</b>	<b>-</b>	<b>38,934</b>	<b>42,352</b>	<b>45,181</b>	<b>47,811</b>
<b>Minority interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>-</b>	<b>38,934</b>	<b>42,352</b>	<b>45,181</b>	<b>47,811</b>
<b>Current assets</b>	-	15,920	21,315	21,811	28,213
<b>Non-current assets</b>	-	38,934	37,886	35,981	33,626
<b>Current liabilities</b>	-	12,062	12,000	5,194	8,410
<b>Non-current liabilities</b>	-	3,858	4,849	7,417	5,618

**Table 3.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	-	-	-	-	-
Appropriations	-	116,725	108,130	42,252	45,311
Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>116,725</b>	<b>108,130</b>	<b>42,252</b>	<b>45,311</b>
<b>Cash used</b>					
Employees	-	65,842	56,988	19,863	24,417
Suppliers	-	49,461	51,142	22,389	20,894
Grants	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>115,303</b>	<b>108,130</b>	<b>42,252</b>	<b>45,311</b>
<b>Net cash from or (used by) operating activities</b>	<b>-</b>	<b>1,422</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	-	14,407	-	-	-
Other	-	5,301	3,418	2,829	2,630
<b>Total cash used</b>	<b>-</b>	<b>19,708</b>	<b>3,418</b>	<b>2,829</b>	<b>2,630</b>
<b>Net cash from or (used by) investing activities</b>	<b>-</b>	<b>(19,708)</b>	<b>(3,418)</b>	<b>(2,829)</b>	<b>(2,630)</b>

**Table 3.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June) (continued)**

	Actual	Revised	Forward	Forward	Forward
	2006-07	budget	estimate	estimate	estimate
	\$'000	2007-08	2008-09	2009-10	2010-11
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	15,566	3,418	2,829	2,630
Restructuring contribution	-	5,220	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	-	<b>20,786</b>	<b>3,418</b>	<b>2,829</b>	<b>2,630</b>
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	<b>20,786</b>	<b>3,418</b>	<b>2,829</b>	<b>2,630</b>
<b>Net increase or (decrease) in cash held</b>	-	<b>2,500</b>	-	-	-
Cash at the beginning of the reporting period	-	-	2,500	2,500	2,500
<b>Cash at the end of the reporting period</b>	-	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>

**Table 3.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2007</b>					
Balance carried forward from previous period	-	-	-	-	-
Opening balance adjustment	-	-	-	-	-
<b>Adjusted opening balance</b>	-	-	-	-	-
<b>Income and expense</b>					
Income and expenses recognised directly in equity: [list each item, example follows]	-	-	-	-	-
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>	-	-	-	-	-
Net operating result	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Distributions to owners</i>					
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	15,566	15,566
Other					
Restructuring	-	-	-	23,368	23,368
<b>Sub-total transactions with owners</b>	-	-	-	<b>38,934</b>	<b>38,934</b>
Transfers between equity components	-	-	-	-	-
<b>Closing balance as at 30 June 2008</b>	-	-	-	<b>38,934</b>	<b>38,934</b>

**Table 3.5: Departmental capital budget statement**

	Actual 2006-07 \$'000	Revised budget 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	15,566	3,418	2,829	2,630
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>-</b>	<b>15,566</b>	<b>3,418</b>	<b>2,829</b>	<b>2,630</b>
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	15,566	3,418	2,829	2,630
Funded internally by					
Departmental resources	-	4,142	-	-	-
<b>Total</b>	<b>-</b>	<b>19,708</b>	<b>3,418</b>	<b>2,829</b>	<b>2,630</b>

**Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)**

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2007</b>					
Gross book value	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
<b>Opening net book value</b>	-	-	-	-	-
Additions:					
by purchase	-	14,407	-	5,301	19,708
by finance lease	-	-	-	-	-
internally developed	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	17,403	1,871	4,094	23,368
Revaluations and impairment through equity	-	-	-	-	-
Reclassifications	-	-	-	-	-
Depreciation/amortisation expense	-	3,071	178	893	4,142
Impairments recognised in operating result	-	-	-	-	-
AEIFRS adjustment	-	-	-	-	-
Disposals:					
from disposal of entities or operations (including restructuring)	-	-	-	-	-
other disposals	-	-	-	-	-
<b>As at 30 June 2008</b>					
Gross book value	-	31,810	1,871	9,395	43,076
Accumulated depreciation	-	3,071	178	893	4,142
<b>Closing net book value</b>	-	<b>28,739</b>	<b>1,693</b>	<b>8,502</b>	<b>38,934</b>

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

The Workplace Authority has no budgeted administered income and expenses.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

The Workplace Authority has no budgeted administered assets and liabilities.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

The Workplace Authority has no budgeted administered cash flows.

**Table 3.10: Schedule of administered capital budget**

The Workplace Authority has no administered capital budget.

**Table 3.11: Schedule of administered property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)**

The Workplace Authority has no administered property, plant, equipment or intangibles.

## **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 Deregulation.

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 Board and the Consensus Views of the Urgent Issues Group.

### **Departmental Revenue from Government**

Revenue from government represents the purchase of outputs from the Workplace Authority by the government. The changes reflected in the ordinary annual appropriations are a result of those new measures and variations that are explained in Section 1: Agency overview and resources, variations and measures.

### **Departmental Revenue from Other Sources**

Revenue from the sale of goods and services is recognised upon the delivery of the goods or services to customers.

### **Departmental Expenses – Employees**

This item represents payments made and net increases or decreases in entitlements owed to employees for their services provided in the financial year.

### **Departmental Expenses – Suppliers**

This item 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 Workplace Authority using, in all cases, the straight-line method of depreciation.

Computing equipment assets are depreciated over their useful lives between three and seven years. Office machines are depreciated over five years (20 per cent). 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.

Forward estimates of depreciation expense are made using forecasts of net capital acquisition requirements over the forward years.

### **Departmental Assets – Financial Assets – Receivables**

Receivables represent amounts owing to the Workplace Authority for goods and services it has provided to external parties and cash reserves held in the Official Public Account.

### **Departmental Assets – Non-Financial Assets**

These items represent future economic benefits that the Workplace Authority will consume in producing outputs. Assets are initially recognised at cost (except for assets transferred from DEWR following WPA's prescription on 1 July 2007). The Workplace Authority annually reassesses and adjusts the values of Land and Buildings (leasehold improvements), Infrastructure, Plant and Equipment.

Land and Buildings, and Infrastructure, Plant and Equipment are initially brought to account at cost, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of the group of similar items which are significant in total).

Computer software, disclosed in the Departmental Balance Sheet as Intangibles, are expensed in the year of acquisition except for purchases or internally developed software costing more than \$200,000 which are capitalised at cost.

### **Departmental Liabilities – Provisions – Employees**

Provision has been made for the Workplace Authority's liability for employee entitlements arising from services rendered by employees to balance date. This liability encompasses unpaid wages and salaries, annual and long service leave. No provision is made for sick leave.

The liability for leave expected to be settled within 12 months has been measured at the nominal amount.

Other employee entitlements payable later than one year have been estimated at the present value of the expected future cash outflows in relation to those entitlements. Attrition rates and pay rises through promotion and wage/salary agreements have been taken into account.

### **Departmental Liabilities – Payables – Suppliers**

This item mainly comprises trade creditors and operating lease rentals.



