

# WORKPLACE OMBUDSMAN

<b>Section 1: Agency overview and resources; variations and measures .....</b>	<b>177</b>
Overview .....	177
Additional estimates and variations to outcomes .....	178
Measures — Agency summary.....	180
Breakdown of additional estimates by appropriation bill.....	181
Summary of staffing changes .....	182
Other resources available to be used .....	182
Estimates of expenses from special appropriations .....	182
Estimates of Special account flows .....	182
<b>Section 2: Revisions to agency outcomes .....</b>	<b>183</b>
Outcomes, administered items and outputs .....	183
<b>Section 3: Budgeted financial statements.....</b>	<b>185</b>
Analysis of budgeted financial statements.....	185
Budgeted financial statements.....	185
Notes to the financial statements.....	198



# WORKPLACE OMBUDSMAN

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

### OVERVIEW

The *Workplace Relations Amendment (A Stronger Safety Net) Act 2007* that received royal assent on 28 June 2007 strengthened the independence and resources of the organisation and enhanced its capacity to assist employers, employees and their representatives. The statutory agency of the Office of the Workplace Ombudsman was created, which subsumed the functions of the former Office of Workplace Services. There have been no changes to the Workplace Ombudsman's outcomes and outputs since the 2007-08 Portfolio Budget Statements.

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

Outcome	Description	Output groups
<b>Outcome 1</b>		
The rights and obligations of workers and employers under the <i>Workplace Relations Act 1996</i> are understood and enforced fairly	Provide advice and assistance to employers, workers and organisations about compliance and enforcement under the Act	Output Group 1.1 Education and compliance services

## **ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES**

The Workplace Ombudsman has the following additional estimates variations:

### **Departmental Outputs**

The departmental output appropriation for 2007-08 has been increased by \$8.8 million (including section 32 transfers) to \$69.7 million. The increased appropriation is a result of:

- An increase of \$15.0 million for the new measure – *Workplace Relations Reform – establishment of the Workplace Ombudsman*;
- A decrease of \$7.2 million relating to the transfer of funds to the former Department of Employment and Workplace Relations for the measure – *Workplace Relations Reform – communications campaign*;
- An increase of \$1.2 million associated with the transfer of compliance activities previously undertaken by the former Department of Employment and Workplace Relations; and
- A decrease of \$0.2 million representing the application of the one-off 2 per cent efficiency dividend to the agency’s funding appropriation.

### **Departmental Equity Injections**

An additional departmental equity injection of \$4.0 million has been provided for leasehold improvements associated with establishing the Office of the Workplace Ombudsman.

*Agency Additional Estimates Statements – Workplace Ombudsman*

**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 - establishment of the Office of the Workplace Ombudsman	15,006	15,871	16,025	16,264
A Fairer and Flexible Workplace Relations System	-	5,800	11,900	(1,000)
<b>Total increase in estimate (departmental)</b>	<b>15,006</b>	<b>21,671</b>	<b>27,925</b>	<b>15,264</b>
<b>Decrease in estimates (departmental)</b>				
Workplace Relations Reform - communications campaign	(7,200)	(3,000)	(3,000)	-
Election commitment savings: 2 per cent Efficiency Dividend	(247)	(975)	(765)	(726)
<b>Total decrease in estimate (departmental)</b>	<b>(7,447)</b>	<b>(3,975)</b>	<b>(3,765)</b>	<b>(726)</b>
<b>Total variation of appropriation for outcome 1</b>	<b>7,559</b>	<b>17,696</b>	<b>24,160</b>	<b>14,538</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 for compliance activities from the former Department of Employment and Workplace Relations	1,219	1,246	1,261	1,278
<b>Total variation of appropriation for outcome 1</b>	<b>1,219</b>	<b>1,246</b>	<b>1,261</b>	<b>1,278</b>

## MEASURES — AGENCY SUMMARY

**Table 1.4: Summary of measures since the 2007-08 Budget**

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 Office of the Workplace Ombudsman	1	1.1	-	15,006	15,006	-	15,871	15,871	-	16,025	16,025	-	16,264	16,264
Workplace Relations Reform - a fairer and flexible workplace relations system	1	1.1	-	-	-	-	5,800	5,800	-	11,900	11,900	-	(1,000)	(1,000)
Application of the one-off 2 percent efficiency dividend	1	1.1	-	(247)	(247)	-	(975)	(975)	-	(765)	(765)	-	(726)	(726)
Workplace Relations Reform - communications campaign	1	1.1	-	(7,200)	(7,200)	-	(3,000)	(3,000)	-	(3,000)	(3,000)	-	-	-
<b>Total Expense Measures</b>			-	<b>7,559</b>	<b>7,559</b>	-	<b>17,696</b>	<b>17,696</b>	-	<b>24,160</b>	<b>24,160</b>	-	<b>14,538</b>	<b>14,538</b>
<b>Capital Measures</b>														
Workplace Relations Reform - establishment of the Office of the Workplace Ombudsman	1	1.1	-	3,950	3,950	-	350	350	-	90	90	-	60	60
<b>Total Capital Measures</b>			-	<b>3,950</b>	<b>3,950</b>	-	<b>350</b>	<b>350</b>	-	<b>90</b>	<b>90</b>	-	<b>60</b>	<b>60</b>
<b>Total of All Measures</b>			-	<b>11,509</b>	<b>11,509</b>	-	<b>18,046</b>	<b>18,046</b>	-	<b>24,250</b>	<b>24,250</b>	-	<b>14,598</b>	<b>14,598</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>					
The rights and obligations of workers and employers under the <i>Workplace Relations Act 1996</i> are understood and enforced fairly	13,257	60,909	68,468	7,559	-
<b>Total</b>	<b>13,257</b>	<b>60,909</b>	<b>68,468</b>	<b>7,559</b>	<b>-</b>
<b>Total departmental</b>	<b>13,257</b>	<b>60,909</b>	<b>68,468</b>	<b>7,559</b>	<b>-</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 transfers.*

**Note 2:** No appropriation is provided in Appropriation Bill 3 for the agency where the total funding change across outcomes for departmental outputs is negative (where the amount shown in the 'Reduced estimates' column is greater than the amount in the 'Additional estimates' column).

**Note 3:** Additional estimates do not include the transfer of funds from the former Department of Employment and Workplace Relations (\$1.219 million).

**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 injection	9,442	167	4,117	3,950	-
<b>Total</b>	<b>9,442</b>	<b>167</b>	<b>4,117</b>	<b>3,950</b>	<b>-</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 transfers.*

## SUMMARY OF STAFFING CHANGES

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

	2007-08 Budget	2007-08 Revised	Variation
<b>Outcome 1</b>			
The rights and obligations of workers and employers under the <i>Workplace Relations Act 1996</i> are understood and enforced fairly	293	362	69
<b>Total</b>	<b>293</b>	<b>362</b>	<b>69</b>

## OTHER RESOURCES AVAILABLE TO BE USED

There have been no changes to the Workplace Ombudsman’s other resources available to be used since the 2007-08 Portfolio Budget Statements.

## ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

The Workplace Ombudsman has no Special Appropriations in the 2007-08 financial year.

## ESTIMATES OF SPECIAL ACCOUNT FLOWS

**Table 1.8: Estimates of special account flows**

	Opening Balance <b>2007-08</b> <i>2006-07</i> \$'000	Receipts <b>2007-08</b> <i>2006-07</i> \$'000	Payments <b>2007-08</b> <i>2006-07</i> \$'000	Adjustments <b>2007-08</b> <i>2006-07</i> \$'000	Closing Balance <b>2007-08</b> <i>2006-07</i> \$'000
Other Trust Monies - <i>Financial Management and Accountability Act 1997 s.20 (Unclaimed Wages)</i>	325 -	350 349	200 24	- -	475 325
<b>Total special accounts</b>	<b>325</b> -	<b>350</b> 349	<b>200</b> 24	- -	<b>475</b> 325

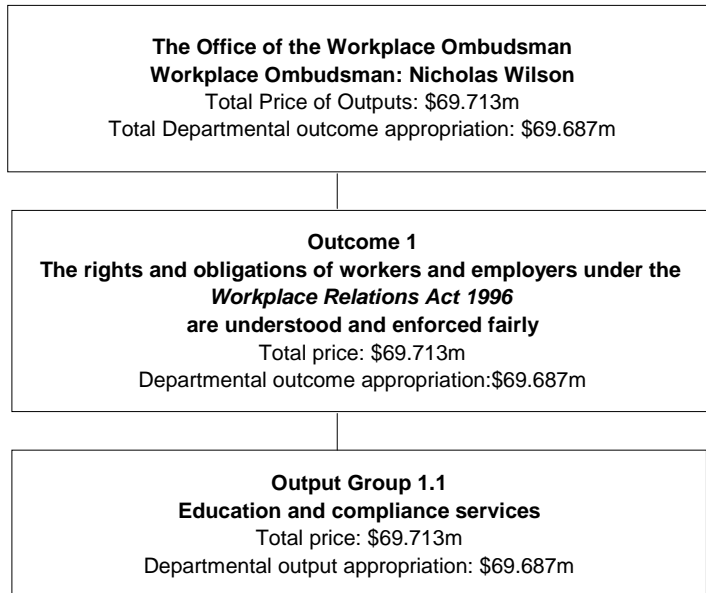
## Section 2: Revisions to agency outcomes

### OUTCOMES, ADMINISTERED ITEMS AND OUTPUTS

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

There have been no changes to the Workplace Ombudsman’s outcome and output structure since the 2007-08 Portfolio Budget Statements.

**Figure 2: Outcome and output structure for Outcome 1**



## **Outcome 1**

### **Explanation of Variations**

Outcome 1 has the following additional estimates variations:

- An increase of \$15.0 million for the new measure – *Workplace Relations Reform – establishment of the Workplace Ombudsman*;
- A decrease of \$7.2 million relating to the transfer of funds to the former Department of Employment and Workplace Relations for the measure – *Workplace Relations Reform – communications campaign*;
- An increase of \$1.2 million associated with the transfer of compliance activities previously undertaken by the former Department of Employment and Workplace Relations; and
- A decrease of \$0.2 million representing the application of the one-off 2 per cent efficiency dividend to the agency's funding appropriation.

### **Revised performance information — 2007-08**

There have been no changes to the performance information for Outcome 1 since the 2007-08 Portfolio Budget Statements. The Price of Outputs has been revised to \$69.713 million.

## Section 3: Budgeted financial statements

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

An analysis of the primary causes of movements in the financial statements from those published in the 2007-08 Portfolio Budget Statements (PBS) is provided below.

### **BUDGETED FINANCIAL STATEMENTS**

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

The Workplace Ombudsman is budgeting to break-even in 2007-08. Total revenue and expenses are estimated to be \$69.713 million, an increase of \$8.778 million from the 2007-08 PBS estimates. The measures and other variations contributing to this increase are outlined in Table 1.2 and Table 1.3.

#### **Budgeted departmental balance sheet**

The budgeted net asset position for 2007-08 of \$41.917 million represents an increase of \$6.111 million from the 2007-08 PBS estimates. This increase is due to:

- An equity injection of \$3.950 million relating to the establishment of the Office of the Workplace Ombudsman; and
- The net equity movement resulting from the organisation's operations in 2006-07 – a surplus of \$4.319 million less a return of unspent appropriation of \$2.154 million.

#### **Departmental capital budget statement**

The 2007-08 capital expenditure budget has increased by \$3.950 million, representing an equity injection for office fit-outs to accommodate additional staff and software development costs.

**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	45,772	69,687	70,677	66,628	52,102
Goods and services	1	-	-	-	-
Interest	1	-	-	-	-
Other	3	-	-	-	-
<b>Total revenue</b>	<b>45,777</b>	<b>69,687</b>	<b>70,677</b>	<b>66,628</b>	<b>52,102</b>
<b>Gains</b>					
Other	230	26	26	26	26
<b>Total gains</b>	<b>230</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
<b>Total income</b>	<b>46,007</b>	<b>69,713</b>	<b>70,703</b>	<b>66,654</b>	<b>52,128</b>
<b>EXPENSE</b>					
Employees	20,928	31,737	36,331	37,055	24,192
Suppliers	19,069	30,583	26,683	23,931	22,289
Depreciation and amortisation	1,684	7,393	7,689	5,668	5,647
Finance costs	-	-	-	-	-
Write-down of assets and impairment of assets	-	-	-	-	-
Net losses from sale of assets	7	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	<b>41,688</b>	<b>69,713</b>	<b>70,703</b>	<b>66,654</b>	<b>52,128</b>
<b>Operating result from continuing operations</b>	<b>4,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Increase/(decrease) in asset revaluation reserve	-	-	-	-	-
<b>Operating result</b>	<b>4,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>4,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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	387	450	450	450	450
Receivables	25,454	27,690	29,799	29,733	30,522
Accrued revenues	-	-	-	-	-
Other	45	-	-	-	-
<b>Total financial assets</b>	<b>25,886</b>	<b>28,140</b>	<b>30,249</b>	<b>30,183</b>	<b>30,972</b>
<b>Non-financial assets</b>					
Land and buildings	22,513	26,671	25,565	23,497	23,550
Infrastructure, plant and equipment	792	994	639	1,239	739
Intangibles	962	882	654	1,454	1,254
Other	114	200	200	200	200
<b>Total non-financial assets</b>	<b>24,381</b>	<b>28,747</b>	<b>27,058</b>	<b>26,390</b>	<b>25,743</b>
<b>Total assets</b>	<b>50,267</b>	<b>56,887</b>	<b>57,307</b>	<b>56,573</b>	<b>56,715</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	5,602	5,500	5,500	5,500	5,500
Grants	-	-	-	-	-
Other payables	928	800	672	543	415
<b>Total payables</b>	<b>6,530</b>	<b>6,300</b>	<b>6,172</b>	<b>6,043</b>	<b>5,915</b>
<b>Provisions</b>					
Employees	5,867	8,600	8,798	8,103	8,313
Other	70	70	70	70	70
<b>Total provisions</b>	<b>5,937</b>	<b>8,670</b>	<b>8,868</b>	<b>8,173</b>	<b>8,383</b>
<b>Total liabilities</b>	<b>12,467</b>	<b>14,970</b>	<b>15,040</b>	<b>14,216</b>	<b>14,298</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	32,051	36,168	36,518	36,608	36,668
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	5,749	5,749	5,749	5,749	5,749
<b>Total parent entity interest</b>	<b>37,800</b>	<b>41,917</b>	<b>42,267</b>	<b>42,357</b>	<b>42,417</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>37,800</b>	<b>41,917</b>	<b>42,267</b>	<b>42,357</b>	<b>42,417</b>
<b>Current assets</b>	26,000	28,340	30,449	30,383	31,172
<b>Non-current assets</b>	24,267	28,547	26,858	26,190	25,543
<b>Current liabilities</b>	10,555	12,725	12,784	12,084	12,153
<b>Non-current liabilities</b>	1,912	2,245	2,256	2,132	2,145

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

**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	1	-	-	-	-
Appropriations	36,192	67,451	68,568	66,694	51,313
Interest	1	-	-	-	-
Other	4,087	2,819	2,166	1,970	1,536
<b>Total cash received</b>	<b>40,281</b>	<b>70,270</b>	<b>70,734</b>	<b>68,664</b>	<b>52,849</b>
<b>Cash used</b>					
Employees	18,114	29,004	36,133	37,750	23,982
Suppliers	23,249	30,828	26,785	24,034	22,391
Grants	-	-	-	-	-
Other	-	2,819	2,166	1,970	1,536
<b>Total cash used</b>	<b>41,363</b>	<b>62,651</b>	<b>65,084</b>	<b>63,754</b>	<b>47,909</b>
<b>Net cash from (or used by) operating activities</b>	<b>(1,082)</b>	<b>7,619</b>	<b>5,650</b>	<b>4,910</b>	<b>4,940</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	16	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	21,421	11,673	6,000	5,000	5,000
Other	-	-	-	-	-
<b>Total cash used</b>	<b>21,421</b>	<b>11,673</b>	<b>6,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Net cash from (or used by) investing activities</b>	<b>(21,405)</b>	<b>(11,673)</b>	<b>(6,000)</b>	<b>(5,000)</b>	<b>(5,000)</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	22,408	4,117	350	90	60
Restructuring contribution	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>22,408</b>	<b>4,117</b>	<b>350</b>	<b>90</b>	<b>60</b>
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by)</b>					
<b>financing activities</b>	<b>22,408</b>	<b>4,117</b>	<b>350</b>	<b>90</b>	<b>60</b>
<b>Net increase (decrease)</b>					
<b>in cash held</b>	<b>(79)</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	466	387	450	450	450
<b>Cash at the end of the reporting period</b>	<b>387</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>450</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	5,749	-	-	32,051	37,800
Opening balance adjustment	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>5,749</b>	<b>-</b>	<b>-</b>	<b>32,051</b>	<b>37,800</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity	-	-	-	-	-
<b>Sub-total income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net operating result	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	<b>5,749</b>	<b>-</b>	<b>-</b>	<b>32,051</b>	<b>37,800</b>
<b>Transactions with owners</b>					
<i>Distributions to owners</i>					
Returns of capital	-	-	-	-	-
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	4,117	4,117
Other	-	-	-	-	-
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,117</b>	<b>4,117</b>
Transfers between equity components	-	-	-	-	-
<b>Closing balance as at 30 June 2008</b>	<b>5,749</b>	<b>-</b>	<b>-</b>	<b>36,168</b>	<b>41,917</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	17,335	4,117	350	90	60
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>17,335</b>	<b>4,117</b>	<b>350</b>	<b>90</b>	<b>60</b>
<b>Represented by:</b>					
Purchase of non-financial assets	17,335	4,117	350	90	60
Other	-	-	-	-	-
<b>Total represented by</b>	<b>17,335</b>	<b>4,117</b>	<b>350</b>	<b>90</b>	<b>60</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	17,335	4,117	350	90	60
Funded internally by Departmental resources	-	-	-	-	-
<b>Total</b>	<b>17,335</b>	<b>4,117</b>	<b>350</b>	<b>90</b>	<b>60</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	-	23,825	1,038	1,154	26,017
Accumulated depreciation	-	1,312	246	192	1,750
<b>Opening net book value</b>	-	<b>22,513</b>	<b>792</b>	<b>962</b>	<b>24,267</b>
Additions:					
by purchase	-	10,772	401	500	11,673
by finance lease	-	-	-	-	-
internally developed	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-
Revaluations and impairment through equity	-	-	-	-	-
Reclassifications	-	-	-	-	-
Depreciation/amortisation expense	-	6,614	199	580	7,393
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	-	34,597	1,439	1,654	37,690
Accumulated depreciation	-	7,926	445	772	9,143
<b>Closing net book value</b>	-	<b>26,671</b>	<b>994</b>	<b>882</b>	<b>28,547</b>

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of government (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 ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Goods and services	-	-	-	-	-
Other sources of non-taxation revenues	414	450	450	200	200
<b>Total non-taxation</b>	<b>414</b>	<b>450</b>	<b>450</b>	<b>200</b>	<b>200</b>
<b>Total income administered on behalf of Government</b>	<b>414</b>	<b>450</b>	<b>450</b>	<b>200</b>	<b>200</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	-	-	-	-	-

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of government (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 ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash	-	-	-	-	-
Receivables	333	400	300	200	100
Accrued revenues	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>333</b>	<b>400</b>	<b>300</b>	<b>200</b>	<b>100</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Intangibles	-	-	-	-	-
Other	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>333</b>	<b>400</b>	<b>300</b>	<b>200</b>	<b>100</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	-	-	-	-	-
Other provisions	-	-	-	-	-
<b>Total provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payables</b>					
Suppliers	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Other payables	-	-	-	-	-
<b>Total payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities administered on behalf of Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.9: Schedule of budgeted administered 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>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Sales of goods	-	-	-	-	-
Rendering of services	-	-	-	-	-
Other	81	383	550	300	300
<b>Total cash received</b>	<b>81</b>	<b>383</b>	<b>550</b>	<b>300</b>	<b>300</b>
<b>Cash used</b>					
Grant payments	-	-	-	-	-
Subsidies paid	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from operating activities</b>	<b>81</b>	<b>383</b>	<b>550</b>	<b>300</b>	<b>300</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
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 and intangibles	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 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>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	<b>81</b>	<b>383</b>	<b>550</b>	<b>300</b>	<b>300</b>
Cash at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
Cash to Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
- other	81	383	550	300	300
<b>Cash at end of reporting period</b>	-	-	-	-	-

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

The Workplace Ombudsman 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 Ombudsman 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; and
- 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.

### **Agency Revenue from Government**

Revenue from government represents the purchase of outputs from the Workplace Ombudsman 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 2: Revisions to agency outcomes.

### **Agency Revenue from Other Sources**

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

### **Agency 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.

### **Agency Expenses – Suppliers**

This item represents payments to suppliers for goods and services.

### **Agency Expenses – Depreciation and Amortisation**

Property, plant, equipment and intangible assets are written-off to their estimated residual values over their estimated useful lives to the Workplace Ombudsman using, in all cases, the straight-line method of depreciation.

Computing equipment assets are depreciated over their useful lives which are 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.

### **Agency Assets – Financial Assets – Cash**

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

### **Agency Assets – Financial Assets – Receivables**

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

### **Agency Assets – Non-Financial Assets**

These items represent future economic benefits that the Workplace Ombudsman will consume in producing outputs. Apart from re-valued assets, the reported value represents the purchase price paid less depreciation incurred to date in using that asset.

Infrastructure, Plant and Equipment is 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 a group of similar items which are significant in total).

Internally developed or purchased computer software, disclosed in the Departmental Balance Sheet as Intangibles, is expensed in the year of acquisition except for purchased software costing more than \$2,000 or for internally developed software costing more than \$200,000 which are capitalised at cost.

Land and Buildings (leasehold improvements) are initially brought to account at cost, except for purchases costing less than \$2,000, which are expensed in the year of acquisition. The Workplace Ombudsman annually reassesses and adjusts the values of Land and Buildings (leasehold improvements), Infrastructure, Plant and Equipment.

### **Agency Liabilities – Provisions – Employees**

Provision has been made for the Workplace Ombudsman'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.

*Agency Additional Estimates Statements – Workplace Ombudsman*

Attrition rates and pay rises through promotion and wage/salary agreements have been taken into account in calculating the provision for employee entitlements.

**Agency Liabilities – Payables – Suppliers**

This item mainly comprises trade creditors and operating lease rentals.

**Administered Non-Taxation Revenue – Other Sources**

This revenue comprises court awarded penalties relating to breaches of the *Workplace Relations Act 1996*. The penalties are administered by the Workplace Ombudsman on behalf of government.

**Administered Assets – Financial Assets – Receivables**

These assets comprise receivables relating to court awarded penalties for breaches of the *Workplace Relations Act 1996*. The penalties are administered by the Workplace Ombudsman on behalf of government.

**Administered Cash Flows**

These cash flows relate to court awarded penalties for breaches of the *Workplace Relations Act 1996*. The penalties are administered by the Workplace Ombudsman on behalf of government and are paid directly into the Consolidated Revenue Fund.



