

# AUSTRALIAN CUSTOMS SERVICE

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

### OVERVIEW

There are no changes to Australian Customs Service’s (Customs) role, mission or its outcomes and outputs structures as a result of Additional Estimates.

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

<b>AUSTRALIAN CUSTOMS SERVICE</b>	
<b>CEO: Mr Michael Carmody AO</b>	
Total Price of Outputs	\$1,140.504m
Departmental Outcome Appropriation	\$944.097m
Total Administered Expenses	\$0.280m
<b>Outcome 1: Effective border management that, with minimal disruption to legitimate trade and travel, prevents illegal movement across the border, raises revenue and provides trade statistics</b>	
Total Price	\$1,140.504m
Departmental Outputs Appropriation	\$944.097m
Administered Expenses Appropriation	\$0.280m
<b>Output 1: Passenger movement and intelligence</b>	
Total Price	\$277.063m
Appropriation	\$251.524m
Administered Expense	\$0.120m
<b>Output 2: Border Compliance and enforcement</b>	
Total Price	\$379.501m
Appropriation	\$356.345m
Administered Expense	\$0.120m
<b>Output 3: Cargo regulation, trade facilitation and revenue collection</b>	
Total Price	\$119.595m
Appropriation	\$109.700m
Administered Expense	\$0.040m
<b>Output 4: Civil maritime surveillance and response</b>	
Total Price	\$364.345m
Appropriation	\$226.528m

## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

Additional funding of \$6.485m has been provided for 2006-07 for the Maritime Security – Australian Maritime Identification System (AMIS). Additional funding of \$37.108m has also been provided over four years for the items listed in Table 1.3 below.

### Departmental

The total price of Customs' outputs has increased by \$9.508m since the 2006-07 Budget.

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

	2006-07 \$'000	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000
<b>Outcome 1</b>				
<b>Variation in Departmental appropriations</b>				
Maritime Security – Australian Maritime Identification System (AMIS)	6,485	-	-	-
<b>Total changes in Departmental appropriations</b>	<b>6,485</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	2006-07 \$'000	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000
<b>Outcome 1</b>				
<b>Variation in Departmental appropriations</b>				
Passenger Workload Growth Funding	466	(377)	(1,391)	(3,026)
Wage Cost Index Adjustment	2,557	10,429	12,842	15,608
<b>Total changes in Departmental appropriations</b>	<b>3,023</b>	<b>10,052</b>	<b>11,451</b>	<b>12,582</b>

Note:

The majority of the Wage Cost Index Adjustment (WCI) is the result of Customs moving from WCI 3 to WCI 6.

## MEASURES — AGENCY SUMMARY

Customs has received funding for one measure, Maritime Security – Australian Maritime Identification System (AMIS), as set out in Table 1.4.

**Table 1.4: Summary of measures since the 2006-07 Budget**

Measure	Outcome	Output Groups Affected	Appropriations 2006-07 \$'000			Appropriations 2007-08 \$'000			Appropriations 2008-09 \$'000			Appropriations 2009-10 \$'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>														
Maritime Security – Australian Maritime Identification System (AMIS)	1	4	-	6,485	6,485	-	-	-	-	-	-	-	-	-
<b>Total Expense Measures</b>			-	<b>6,485</b>	<b>6,485</b>	-	-	-	-	-	-	-	-	-
<b>CAPITAL MEASURES</b>														
Maritime Security – Australian Maritime Identification System (AMIS)	1	4	-	925	925	-	-	-	-	-	-	-	-	-
<b>Total Capital Measures</b>			-	<b>925</b>	<b>925</b>	-	-	-	-	-	-	-	-	-
<b>Total All Measures</b>			-	<b>7,410</b>	<b>7,410</b>	-	-	-	-	-	-	-	-	-

## BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

**Table 1.5: Appropriation Bill (No. 3) 2006-07**

	2005-06 Available \$'000	2006-07 Budget \$'000	2006-07 Revised \$'000	Additional Estimates \$'000
<b>ADMINISTERED ITEMS</b>				
<b>Outcome 1</b>				
Effective border management that, with minimal disruption to legitimate trade and travel, prevents illegal movement across the border, raises revenue and provides trade statistics	259	280	280	-
<b>Total Administered</b>	<b>259</b>	<b>280</b>	<b>280</b>	<b>-</b>
<b>DEPARTMENTAL OUTPUTS</b>				
<b>Outcome 1</b>				
Effective border management that, with minimal disruption to legitimate trade and travel, prevents illegal movement across the border, raises revenue and provides trade statistics	783,265	934,589	944,097	9,508
<b>Total Departmental</b>	<b>783,265</b>	<b>934,589</b>	<b>944,097</b>	<b>9,508</b>
<b>Total Australian Customs Service</b>	<b>783,524</b>	<b>934,869</b>	<b>944,377</b>	<b>9,508</b>

**Table 1.6: Appropriation Bill (No. 4) 2006-07**

	2005-06 Available \$'000	2006-07 Budget \$'000	2006-07 Revised \$'000	Additional Estimates \$'000
<b>Non-operating</b>				
Equity injections	27,828	37,219	38,144	925
<b>Total Capital Australian Customs Service</b>	<b>27,828</b>	<b>37,219</b>	<b>38,144</b>	<b>925</b>

## SUMMARY OF STAFFING CHANGES

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

	2006-07 Budget	2006-07 Revised	Variation
<b>Outcome 1</b>			
Effective border management that, with minimal disruption to legitimate trade and travel, prevents illegal movement across the border, raises revenue and provides trade statistics	5,297	5,300	3
<b>Total</b>	<b>5,297</b>	<b>5,300</b>	<b>3</b>

## ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

**Table 1.10: Estimates of expenses from special appropriations**

	Outcome No	Budget Estimate 2006-07 \$'000	Revised Estimate 2006-07 \$'000
<b>Estimated expenses</b>			
Compensation for Acquisition of Property – s.4AB <i>Customs Act 1901</i> (A)	1	-	-
Investment of Public Money – s.39(9) <i>Financial Management and Accountability Act 1997</i> (A)	1	26	96
Refund of Customs Duty and GST on Importations – s.28 <i>Financial Management and Accountability Act 1997</i> (A)	1	311,811	386,300
<b>Total Estimated Expenses</b>		<b>311,837</b>	<b>386,396</b>

A = Administered

## ESTIMATES OF SPECIAL ACCOUNT FLOWS

**Table 1.11: Estimates of special account flows**

	Outcome No.	Opening Balance 2006-07 <sup>1</sup> 2005-06 <sup>1</sup> \$'000	Receipts 2006-07 2005-06 \$'000	Payments 2006-07 2005-06 \$'000	Closing Balance 2006-07 2005-06 \$'000
Other Trust Monies Reserve (Australian Customs Service) FMA Act s.20 (A)	1	1,357 3,032	759 659	797 2,334	1,319 1,357
Tradegate Fees Reserve* (Australian Customs Service) FMA Act s.20 (A)	1	- 176	- 6,109	- 6,285	- -
Security Deposits Reserve (Australian Customs Service) FMA Act s.20 (A)	1	5,915 6,304	7,535 6,947	7,523 7,336	5,927 5,915
Industry Related Systems (Australian Customs Service) FMA Act s.20 (A)	1	3,078 2,926	96 152	3,174 -	- 3,078
Service for Other Government and Non-Government Bodies (Australian Customs Service) FMA Act s.20 (A)	1	- -	- -	- -	- -
<b>Total special accounts 2006-07</b>		<b>10,350</b> 12,438	<b>8,390</b> 13,867	<b>11,494</b> 15,955	<b>7,246</b> 10,350

\* Abolished 16 November 2006

A= Administered

Acts Glossary: FMA Act = *Financial Management and Accountability Act, 1997*

Note:

1: The revised Opening Balance for 2006-07 is the same as the final closing balance for 2005-06. This balance has changed from that shown in the 2006-07 PBS as the actual for 2005-06 has been updated to reflect the final budget outcome for that year.

## Section 2: Revisions to agency outcomes

### **OUTCOMES, ADMINISTERED ITEMS AND OUTPUTS**

Table 1.1 'Agency outcomes and outputs groups' lists the outcome statements and output groups for Customs.

There are no changes to the outcome and output structure as a result of Additional Estimates.

### **Outcome 1**

#### **Revised performance information — 2006-07**

The performance information that Customs will use to assess the level of its achievement against Outcome 1 has been revised from that reported in the Budget as set out in Table 2.1.

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

<b>Output</b>	<b>Performance Information 2006-07 Budget</b>	<b>Performance Information 2006-07 Revised</b>
<b>Output 1</b> Passenger movement and intelligence	Price: \$276.377m	Price: \$277.063m
<b>Output 2</b> Border compliance and enforcement. Number of illegal foreign fishers who were apprehended and processed	Target: 4,700 Price: \$378.064m	Forecast: 2,990 Price: \$379.501m
<b>Output 3</b> Cargo regulation, trade facilitation and revenue collection	Price: \$119.296m	Price: \$119.595m
<b>Output 4:</b> Civil maritime surveillance and response	Quality: Number of apprehensions of Foreign Fishing Vessels (FFVs) Target: 570  Quantity: Aerial surveillance coverage (square nautical miles) Coastwatch contracted aircraft and RAAF assets Forecast: 171.6m  Aerial Surveillance (Flying hours)  Coastwatch contracted aircraft Forecast: 24,220 Price: \$357.259m	Quality: Number of apprehensions of Foreign Fishing Vessels (FFVs) Forecast: 400  Quantity: Aerial surveillance coverage (square nautical miles) Coastwatch contracted aircraft and RAAF assets Forecast: 152.7m  Aerial Surveillance (Flying hours)  Coastwatch contracted aircraft Forecast: 21,000 Price: \$364.345m

The forecast for numbers of FFVs apprehended for 2006-07 is 400 and the forecast number of illegal foreign fishers apprehended is 2,990. The revised figures reflect a significant reduction in the number of FFV incursions. The record number of apprehensions in the last twelve months has impacted considerably on the number of FFV incursions, and the number of sightings of FFVs continues to decline. Revised aerial surveillance coverage continues to exceed last years outcome, notwithstanding a small reduction in forecast flying hours.

## Section 3: Budgeted financial statements

Revisions to the budgeted departmental and administered financial statements for the department since the 2006-07 PBS are presented in this section.

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

#### **BUDGETED FINANCIAL STATEMENTS**

##### **Departmental financial statements**

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

Total revenue is now estimated to be \$1.141b in 2006-07, an increase of \$9.508m from 2006-07 PBS. The increase is due to funding for the introduction of one new measure being Maritime Security – Australian Maritime Identification System (AMIS) \$6.485m. A revision was made to the Wage Cost Index of \$2.557m, and an adjustment for Passenger Workload Growth \$0.466m.

Total expenses have increased by \$9.508m in line with this revenue impact.

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

Funding for new measures of a capital nature has resulted in an increase in equity from 2005-06 actual results. The increase in capital is a result of the new measure introduced in Additional Estimates.

###### **Budgeted departmental statement of cash flows**

Changes to the statement of cash flows from the 2006-07 PBS are the result of the new measure, adjustments and capital contribution approved as part of the Additional Estimates process.

###### **Departmental statement of changes in equity — summary of movement**

Changes to the equity statement from the 2006-07 PBS is the result of adjustments for the new measure Maritime Security – Australian Maritime Identification System (AMIS) approved as part of the Additional Estimates process.

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

Changes to the capital budget statement from the 2006-07 PBS are the result of capital injections from the new measure Maritime Security – Australian Maritime Identification System (AMIS).

## **Departmental property, plant, equipment and intangibles — summary of movement**

Changes to purchases in the Property, Plant, Equipment and Intangibles movement table are the result of capital injections for the new measure Maritime Security – Australian Maritime Identification System (AMIS).

## **Schedule of administered activity**

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

Customs duty estimate for 2006-07 Additional Estimates is \$520.200m greater than the 2005-06 actuals. This is primarily due to a change in arrangements to reflect the legislative mechanism according to the provisions of the Fuel Tax Bill 2006 (estimated at \$250.000m in 2006-07) and adjustments to the estimate in line with growth parameters.

### **Schedule of budgeted assets and liabilities administered on behalf of Government**

There were no major adjustments to the budgeted assets and liabilities administered on behalf of Government.

### **Schedule of budgeted administered cash flows**

There were no major adjustments to the budgeted administered cash flows.

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	831,973	944,097	967,228	962,343	973,098
Goods and services	59,229	59,370	59,806	61,203	60,415
<b>Total revenue</b>	<b>891,202</b>	<b>1,003,467</b>	<b>1,027,034</b>	<b>1,023,546</b>	<b>1,033,513</b>
<b>Gains</b>					
Other	137,810	137,037	137,037	137,037	137,037
<b>Total gains</b>	<b>137,810</b>	<b>137,037</b>	<b>137,037</b>	<b>137,037</b>	<b>137,037</b>
<b>Total income</b>	<b>1,029,012</b>	<b>1,140,504</b>	<b>1,164,071</b>	<b>1,160,583</b>	<b>1,170,550</b>
<b>EXPENSE</b>					
Employees	412,674	416,812	425,790	424,753	428,993
Suppliers	561,460	659,148	665,848	654,748	660,449
Depreciation and amortisation	49,139	64,544	72,433	81,082	81,108
Finance costs	43	-	-	-	-
Write-down of assets and impairment of assets	2,617	-	-	-	-
Net losses from sale of assets	399	-	-	-	-
Other	19	-	-	-	-
<b>Total expenses</b>	<b>1,026,351</b>	<b>1,140,504</b>	<b>1,164,071</b>	<b>1,160,583</b>	<b>1,170,550</b>
<b>Operating result from continuing operations</b>	<b>2,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>2,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 3.2: Budgeted departmental balance sheet as at 30 June

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	9,338	8,538	7,738	7,738	7,738
Receivables	138,350	150,997	172,535	197,582	203,534
<b>Total financial assets</b>	<b>147,688</b>	<b>159,535</b>	<b>180,273</b>	<b>205,320</b>	<b>211,272</b>
<b>Non-financial assets</b>					
Land and buildings	51,627	51,627	51,627	51,627	51,627
Infrastructure, plant and equipment	84,613	113,942	119,407	110,577	109,490
Inventories	1,577	1,577	1,577	1,577	1,577
Intangibles	198,005	194,973	190,926	185,112	184,198
Other	3,438	3,438	3,438	3,438	3,438
<b>Total non-financial assets</b>	<b>339,260</b>	<b>365,557</b>	<b>366,975</b>	<b>352,331</b>	<b>350,330</b>
<b>Total assets</b>	<b>486,948</b>	<b>525,092</b>	<b>547,248</b>	<b>557,651</b>	<b>561,602</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	46,831	46,831	45,662	45,661	45,662
Other payables	3,247	3,247	3,247	3,247	3,247
<b>Total payables</b>	<b>50,078</b>	<b>50,078</b>	<b>48,909</b>	<b>48,908</b>	<b>48,909</b>
<b>Provisions</b>					
Employees	116,714	116,714	117,884	117,884	117,884
Other provisions	6,425	6,425	6,425	6,425	6,425
<b>Total provisions</b>	<b>123,139</b>	<b>123,139</b>	<b>124,309</b>	<b>124,309</b>	<b>124,309</b>
<b>Total liabilities</b>	<b>173,217</b>	<b>173,217</b>	<b>173,218</b>	<b>173,217</b>	<b>173,218</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	228,734	266,878	289,033	299,437	303,387
Reserves	29,503	29,503	29,503	29,503	29,503
Retained surpluses or accumulated deficits	55,494	55,494	55,494	55,494	55,494
<b>Total parent entity interest</b>	<b>313,731</b>	<b>351,875</b>	<b>374,030</b>	<b>384,434</b>	<b>388,384</b>
<b>Total equity</b>	<b>313,731</b>	<b>351,875</b>	<b>374,030</b>	<b>384,434</b>	<b>388,384</b>
<b>Current assets</b>	<b>152,703</b>	<b>164,550</b>	<b>185,288</b>	<b>210,335</b>	<b>216,287</b>
<b>Non-current assets</b>	<b>334,245</b>	<b>360,542</b>	<b>361,960</b>	<b>347,316</b>	<b>345,315</b>
<b>Current liabilities</b>	<b>99,836</b>	<b>116,714</b>	<b>117,884</b>	<b>117,884</b>	<b>117,884</b>
<b>Non-current liabilities</b>	<b>73,381</b>	<b>56,503</b>	<b>55,334</b>	<b>55,333</b>	<b>55,334</b>

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	69,574	58,898	59,334	61,203	60,415
Appropriations	775,914	931,922	946,162	937,296	967,146
Net GST received	44,646	43,869	43,869	43,869	43,869
Other cash received	805	-	-	-	-
<b>Total cash received</b>	<b>890,939</b>	<b>1,034,689</b>	<b>1,049,365</b>	<b>1,042,368</b>	<b>1,071,430</b>
<b>Cash used</b>					
Employees	395,656	431,859	445,685	447,799	434,944
Suppliers	427,007	507,064	508,915	494,493	517,460
Financing costs	43	-	-	-	-
Net GST paid	45,492	43,869	43,869	43,869	43,869
Other cash used	19	-	-	-	-
<b>Total cash used</b>	<b>868,217</b>	<b>982,792</b>	<b>998,469</b>	<b>986,161</b>	<b>996,273</b>
<b>Net cash from or (used by) operating activities</b>	<b>22,722</b>	<b>51,897</b>	<b>50,896</b>	<b>56,207</b>	<b>75,157</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	52,908	90,841	73,852	66,612	79,107
<b>Total cash used</b>	<b>52,908</b>	<b>90,841</b>	<b>73,852</b>	<b>66,612</b>	<b>79,107</b>
<b>Net cash from or (used by) investing activities</b>	<b>(52,908)</b>	<b>(90,841)</b>	<b>(73,852)</b>	<b>(66,612)</b>	<b>(79,107)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations – contributed equity	24,275	38,144	22,156	10,405	3,950
<b>Total cash received</b>	<b>24,275</b>	<b>38,144</b>	<b>22,156</b>	<b>10,405</b>	<b>3,950</b>
<b>Cash used</b>					
Repayments of debt (including finance lease principal)	2,775	-	-	-	-
<b>Total cash used</b>	<b>2,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>21,500</b>	<b>38,144</b>	<b>22,156</b>	<b>10,405</b>	<b>3,950</b>
<b>Net increase or (decrease) in cash held</b>	<b>(8,686)</b>	<b>(800)</b>	<b>(800)</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	18,024	9,338	8,538	7,738	7,738
<b>Cash at the end of the reporting period</b>	<b>9,338</b>	<b>8,538</b>	<b>7,738</b>	<b>7,738</b>	<b>7,738</b>

**Table 3.4: Departmental statement of changes in equity — summary of movement Budget year 2006-07**

	Accumulated Results \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2006</b>				
Balance carried forward from previous period	55,494	29,503	228,734	313,731
<b>Adjusted opening balance</b>	<b>55,494</b>	<b>29,503</b>	<b>228,734</b>	<b>313,731</b>
<b>Transactions with owners</b>				
Appropriation (equity injection)	-	-	38,144	38,144
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>38,144</b>	<b>38,144</b>
<b>Estimated closing balance as at 30 June 2007</b>	<b>55,494</b>	<b>29,503</b>	<b>266,878</b>	<b>351,875</b>

**Table 3.5: Departmental capital budget statement**

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	27,829	38,144	22,156	10,405	3,950
<b>Total capital appropriations</b>	<b>27,829</b>	<b>38,144</b>	<b>22,156</b>	<b>10,405</b>	<b>3,950</b>
<b>Represented by:</b>					
Purchase of non-financial assets	25,054	38,144	22,156	10,405	3,950
Other	2,775	-	-	-	-
<b>Total represented by</b>	<b>27,829</b>	<b>38,144</b>	<b>22,156</b>	<b>10,405</b>	<b>3,950</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	25,054	38,144	22,156	10,405	3,950
Funded internally by departmental resources	27,854	52,697	51,696	56,207	75,157
<b>Total</b>	<b>52,908</b>	<b>90,841</b>	<b>73,852</b>	<b>66,612</b>	<b>79,107</b>

**Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement Budget year 2006-07**

	Land	Buildings	Other Infrastructure Plant and Equipment	Computer Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2006</b>					
Gross book value	8,514	44,881	87,846	235,246	376,487
Accumulated depreciation	-	(1,768)	(3,233)	(37,241)	(42,242)
<b>Opening net book value</b>	<b>8,514</b>	<b>43,113</b>	<b>84,613</b>	<b>198,005</b>	<b>334,245</b>
Additions:					
by purchase	-	261	70,246	20,334	90,841
from acquisitions of entities or operations (including restructuring)	-	6,000	(6,000)	-	-
<b>As at 30 June 2007</b>					
Gross book value	8,514	51,142	152,092	255,580	467,328
Accumulated depreciation	-	(8,029)	(38,150)	(60,607)	(106,786)
<b>Estimated closing net book value</b>	<b>8,514</b>	<b>43,113</b>	<b>113,942</b>	<b>194,973</b>	<b>360,542</b>

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF THE GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Customs Duty	4,987,757	5,508,000	5,828,000	6,168,000	5,918,000
Other taxes, fees and fines	492,831	546,352	572,495	593,970	619,234
<b>Total taxation</b>	<b>5,480,588</b>	<b>6,054,352</b>	<b>6,400,495</b>	<b>6,761,970</b>	<b>6,537,234</b>
<b>Non-taxation</b>					
Goods and services	7,233	6,085	6,237	6,537	6,362
Interest	311	-	-	-	-
<b>Total non-taxation</b>	<b>7,544</b>	<b>6,085</b>	<b>6,237</b>	<b>6,537</b>	<b>6,362</b>
<b>Total revenues administered on behalf of the Government</b>	<b>5,488,132</b>	<b>6,060,437</b>	<b>6,406,732</b>	<b>6,768,507</b>	<b>6,543,596</b>
<b>Total income administered on behalf of the Government</b>	<b>5,488,132</b>	<b>6,060,437</b>	<b>6,406,732</b>	<b>6,768,507</b>	<b>6,543,596</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	259	280	280	280	280
Write down and impairment of assets	10,081	2,560	2,636	2,716	2,716
<b>Total expenses administered on behalf of the Government</b>	<b>10,340</b>	<b>2,840</b>	<b>2,916</b>	<b>2,996</b>	<b>2,996</b>

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF THE GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3,582	3,582	3,582	3,582	3,582
Receivables	97,545	105,132	113,102	126,239	139,576
Other Receivables	13,266	10,706	8,070	5,354	2,638
<b>Total financial assets</b>	<b>114,393</b>	<b>119,420</b>	<b>124,754</b>	<b>135,175</b>	<b>145,796</b>
<b>Non-financial assets</b>					
Inventories	215	215	215	215	215
<b>Total non-financial assets</b>	<b>215</b>	<b>215</b>	<b>215</b>	<b>215</b>	<b>215</b>
<b>Total assets administered on behalf of the Government</b>	<b>114,608</b>	<b>119,635</b>	<b>124,969</b>	<b>135,390</b>	<b>146,011</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF THE GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Other	3,078	3,078	3,078	3,078	3,078
<b>Total interest bearing liabilities</b>	<b>3,078</b>	<b>3,078</b>	<b>3,078</b>	<b>3,078</b>	<b>3,078</b>
<b>Payables</b>					
Other payables	13,149	13,149	13,149	13,149	13,149
<b>Total payables</b>	<b>13,149</b>	<b>13,149</b>	<b>13,149</b>	<b>13,149</b>	<b>13,149</b>
<b>Total liabilities administered on behalf of Government</b>	<b>16,227</b>	<b>16,227</b>	<b>16,227</b>	<b>16,227</b>	<b>16,227</b>

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

	Actual 2005-06 \$'000	Revised Budget 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	5,337,920	5,448,398	5,782,303	6,153,770	5,979,479
Sales of Goods and Services	-	6,085	6,237	6,537	6,362
Interest	43	-	-	-	-
Cash from the Official Public Account	457,869	370,000	370,076	370,156	370,156
Other	5,848	-	-	-	-
<b>Total cash received</b>	<b>5,801,680</b>	<b>5,824,483</b>	<b>6,158,616</b>	<b>6,530,463</b>	<b>6,355,997</b>
<b>Cash used</b>					
Payment to Suppliers	259	280	356	436	436
Cash to the Official Public Account	5,370,978	5,824,203	6,158,260	6,530,027	6,355,561
Other	430,302	-	-	-	-
<b>Total cash used</b>	<b>5,801,539</b>	<b>5,824,483</b>	<b>6,158,616</b>	<b>6,530,463</b>	<b>6,355,997</b>
<b>Net cash from operating activities</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at beginning of reporting period	3,441	3,582	3,582	3,582	3,582
<b>Cash at end of reporting period</b>	<b>3,582</b>	<b>3,582</b>	<b>3,582</b>	<b>3,582</b>	<b>3,582</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental**

#### **Basis of accounting**

Customs budgeted financial statements have been prepared on an accrual basis, in accordance with historical cost convention and consistent with Australian Accounting Standards.

#### **Revenue from Government**

Amounts appropriated for departmental outputs are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

#### **Employee expenses**

Employee expenses consist of salaries, leave entitlements, redundancy expenses, superannuation and non-salary benefits.

#### **Suppliers**

Supplier expenses consist of administrative costs, consultants, travel expenses and property operating expenses.

#### **Cash**

Cash includes notes and coins held and any deposits held at call with a bank or financial institutions.

#### **Assets**

Customs assets are made up of cash, receivables, leasehold improvements and plant and equipment. All assets are held at fair value.

#### **Liabilities**

Customs liabilities are made up of employee salary and leave entitlements, property lease make-good provisions and unpaid creditors.