

Fair Work Commission

Agency Resources and Planned Performance

FAIR WORK COMMISSION

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FAIR WORK COMMISSION

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Fair Work Commission was established by the *Fair Work Act 2009* (FW Act). The Commission is the national workplace relations tribunal responsible for administering provisions of the FW Act. The Commission also has responsibilities in relation to the registration, recognition and accountability of unions and employer organisations under the *Fair Work (Registered Organisations) Act 2009*.

The *Road Safety Remuneration Act 2012* established the Road Safety Remuneration Tribunal; an independent national tribunal with functions relating to the road transport industry. The Road Safety Remuneration Tribunal is supported by staff of the Fair Work Commission.

The Fair Work Commission consists of a President, Vice Presidents, Deputy Presidents, Commissioners and Expert Panel Members. The Fair Work Commission also has a General Manager and administrative staff.

The Fair Work Commission has the power to vary awards, make minimum wage orders, approve agreements, resolve workplace and other disputes, determine unfair dismissal claims and make orders in relation to matters such as good faith bargaining and industrial action.

The Commission has a Pay Equity Unit to undertake research and data collection to inform matters related to pay equity under the FW Act. The Commission has also commenced dealing with applications for orders to stop or prevent workplace bullying.

Over the next two years, the Fair Work Commission will implement initiatives aimed at further improving fairness and access to justice; accountability; innovation and efficiency; and productivity and engagement with industry. The new initiatives are set out in the publication *Future Directions II*, which is available on the Commission's website (www.fwc.gov.au).

1.2 AGENCY RESOURCE STATEMENT

Table 1.1: Fair Work Commission Resource Statement—Budget estimates for 2014–15 as at Budget May 2014

	Estimate of prior year amounts available in 2014-15 \$'000	Proposed at Budget 2014-15 \$'000	Total estimate 2014-15 \$'000	Actual available appropriation 2013-14 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²				
Departmental appropriation ³	36,809	82,348	119,157	76,335
s31 Relevant agency receipts ⁴	0	1,286	1,286	1,244
Total ordinary annual services	A 36,809	83,634	120,443	77,579
Administered expenses				
Departmental non-operating				
Equity injections	-	-	-	-
Total	B -	-	-	-
Total other services	B -	-	-	-
Total available annual appropriations	36,809	83,634	120,443	77,579
Special appropriations				
Special appropriations limited by criteria/entitlement	-	-	-	-
Total special appropriations	C -	-	-	-
Special Accounts				
Special Accounts	-	-	-	-
Total Special Account	D -	-	-	-
Total resourcing				
A+B+C+D	36,809	83,634	120,443	77,579
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
Total net resourcing for Fair Work Commission	36,809	83,634	120,443	77,579

¹ Appropriation Bill (No.1) 2014-15

² Estimated adjusted balance carried forward from previous year

³ Includes an amount for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

⁴ s31 Relevant Agency receipts - estimate

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Table 1.2 Agency 2014–15 Budget measures

Part 1: Measures announced since the 2013–14 MYEFO

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Expense measures						
Efficiency Dividend - a further temporary increase of 0.25 per cent	1.1					
Departmental expenses		-	(211)	(422)	(628)	(638)
Total		-	(211)	(422)	(628)	(638)
Total expense measures						
Departmental		-	(211)	(422)	(628)	(638)
Total		-	(211)	(422)	(628)	(638)

Part 2: MYEFO measures not previously reported in a portfolio statement

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Measures						
Public Services Efficiencies ¹	1.1					
Departmental expenses		(3)	(16)	(62)	(75)	(260)
Total		(3)	(16)	(62)	(75)	(260)
Reforms to the APS management and efficient procurement of agency software ²	1.1					
Departmental expenses		(74)	(87)	(106)	(48)	-
Total		(74)	(87)	(106)	(48)	-
Efficiency Dividend – Temporary increase in rate	1.1					
Departmental expenses		-	(843)	(1,701)	(2,757)	(814)
Total		-	(843)	(1,701)	(2,757)	(814)
Total measures						
Departmental		(77)	(945)	(1,868)	(2,879)	(1,074)
Total		(77)	(945)	(1,868)	(2,879)	(1,074)

¹ This is a measure announced in the 2013-14 Budget but not previously reported in a portfolio statement.

² This was a measure announced in the 2013 Economic Statement measure but not previously reported in a portfolio statement.

Prepared on a Government Finance Statistics (fiscal) basis.

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. Commonwealth programmes are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of the Fair Work Commission in achieving government outcomes.

Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.

Outcome 1 strategy

The Fair Work Commission has a single planned outcome.

Outcome expenses statement

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

Table 2.1 Budgeted expenses for Outcome 1

Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Program 1.1: Dispute resolution, minimum wage setting, orders and approval of agreements		
Departmental expenses		
Departmental appropriation ¹	78,627	81,184
Expenses not requiring appropriation in the Budget year ²	2,576	3,576
Total for Program 1.1	81,203	84,760
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	78,627	81,184
Expenses not requiring appropriation in the Budget year ²	2,576	3,576
Total expenses for Outcome 1	81,203	84,760
	2013-14	2014-15
Average Staffing Level (number)	330	336

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Contributions to Outcome 1

Programme 1: Dispute resolution, minimum wage setting, orders and approval of agreements

Programme objective

To exercise powers under the *Fair Work Act 2009*:

- in accordance with the objects of the Act
- in a manner that is fair and just; is quick, informal and avoids unnecessary technicalities; is open and transparent; and promotes harmonious and cooperative workplace relations.

To exercise powers under the *Road Safety Remuneration Act 2012* in accordance with the objects of the Act.

Programme 1 expenses

The functions of the Fair Work Commission and the Road Safety Remuneration Tribunal are prescribed by legislation. New and/or changed legislative requirements may impact forward year expenses.

Table 2.1.1 Programme 1 expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual departmental expenses:					
Departmental item	78,627	81,184	81,136	80,374	81,668
Expenses not requiring appropriation in the Budget year ¹	2,576	3,576	3,497	3,498	3,498
Total program expenses	81,203	84,760	84,633	83,872	85,166

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense and Amortisation Expense.

Linked to: The Fair Work Commission and the Fair Work Ombudsman are created under the *Fair Work Act 2009*. The Commission and the Fair Work Ombudsman have cooperative approaches to the delivery of services to employees, employers and organisations.

Programme 1 deliverables

The deliverables for the Fair Work Commission are:

- dispute resolution
- determining unfair dismissal applications
- minimum wage decisions
- orders relating to industrial action
- processes relating to modern awards
- approval of agreements
- regulation of registered organisations
- dealing with workplace bullying applications.

The deliverables for the Road Safety Remuneration Tribunal are:

- developing an annual work programme
- making road safety remuneration orders
- dispute resolution
- approval of road transport collective agreements
- conducting research into pay and conditions that could affect safety in the road transport industry.

Table 2.1.1A Programme 1 deliverables

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<u>Deliverables</u>					
Dispute resolution, minimum wage decision, orders and approval of agreements	81,203	84,760	84,633	83,872	85,166

Programme 1 key performance indicators

The key performance indicators for the Fair Work Commission are:

- Improve the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications.
- Annual wage review to be completed to enable an operative date of 1 July.
- Improve the time taken to list applications relating to industrial action.
- Improve the agreement approval time.
- 95 per cent of financial reports required to be lodged under the *Fair Work (Registered Organisations) Act 2009* are assessed for compliance within 40 working days.

The key performance indicators for the Road Safety Remuneration Tribunal are:

- Road safety remuneration orders reviewed within 12 months of expiry of any preceding order.
- An annual work programme is developed.
- Research developed and submissions obtained or received are published on the website in a timely manner as appropriate.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

Table 3.1.1: Movement of administered funds between years

The Fair Work Commission has no administered funds. For this reason Table 3.1.1 is not presented.

Table 3.1.2: Special Accounts

The Fair Work Commission has no special accounts. For this reason Table 3.1.2 is not presented.

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

The Fair Work Commission has no Australian Government Indigenous Expenditure. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The Fair Work Commission has nil difference to report.

3.2.2 Analysis of budgeted financial statements

The Fair Work Commission is budgeting for a deficit equal to the unappropriated depreciation and amortisation expense in 2014–15 and the three forward years.

Total revenue is estimated to be \$81.18 million in 2014–15, and total expenses to be \$84.76 million.

Total assets for 2014–15 are estimated to be \$78.2 million dollars. Non-financial assets reflect the operations of the Commission, being office fit outs, computer and office equipment, and computer software (included in intangibles). The Commission is planning asset acquisitions in the 2014–15 year for information technology equipment, software, and office accommodation fit outs.

Total liabilities for 2014–15 are estimated to be \$28 million. The largest liabilities are accrued employee entitlements.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive income statement (showing net cost of services) for the period ended 30 June

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	50,798	55,078	55,015	54,427	55,319
Suppliers	28,005	26,282	26,218	26,045	26,447
Depreciation and amortisation	2,400	3,400	3,400	3,400	3,400
Total expenses	81,203	84,760	84,633	83,872	85,166
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	1,244	1,286	1,329	1,421	1,421
Total own-source revenue	1,244	1,286	1,329	1,421	1,421
Gains					
Other	176	176	97	98	98
Total gains	176	176	97	98	98
Total own-source income	1,420	1,462	1,426	1,519	1,519
Net cost of (contribution by) services	79,783	83,298	83,207	82,353	83,647
Revenue from Government	77,383	79,898	79,807	78,953	80,247
Surplus (Deficit) attributable to the Australian Government	(2,400)	(3,400)	(3,400)	(3,400)	(3,400)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	(2,400)	(3,400)	(3,400)	(3,400)	(3,400)
Total comprehensive income attributable to the Australian Government	(2,400)	(3,400)	(3,400)	(3,400)	(3,400)

Prepared an Australian accounting standards basis.

Table 3.2.1 Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of Net Cash Appropriation Arrangements

	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
plus depreciation/amortisation expenses previously funded through revenue appropriations ¹	(2,400)	(3,400)	(3,400)	(3,400)	(3,400)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(2,400)	(3,400)	(3,400)	(3,400)	(3,400)

¹ From 2010-11, the government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared an Australian accounting standards basis.

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

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	421	421	421	421	421
Trade and other receivables	53,957	54,070	54,070	54,070	54,070
Total financial assets	54,378	54,491	54,491	54,491	54,491
Non-financial assets					
Land and buildings	17,454	15,448	13,435	12,018	10,601
Property, plant and equipment	4,695	4,906	4,784	5,036	5,615
Intangibles	999	1,734	2,896	3,096	2,996
Other non-financial assets	1,653	1,653	1,653	1,653	1,653
Total non-financial assets	24,801	23,741	22,768	21,803	20,865
Assets held for sale	-	-	-	-	-
Total assets	79,179	78,232	77,259	76,294	75,356
LIABILITIES					
Payables					
Suppliers	2,692	2,692	2,692	2,692	2,692
Other Payables	8,550	8,553	8,553	8,553	8,553
Total payables	11,242	11,245	11,245	11,245	11,245
Provisions					
Employee provisions	17,448	17,448	17,448	17,448	17,448
Other provisions	89	89	89	89	89
Total provisions	17,537	17,537	17,537	17,537	17,537
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	28,779	28,782	28,782	28,782	28,782
Net assets	50,400	49,450	48,477	47,512	46,574
EQUITY					
Parent entity interest					
Contributed equity	47,928	50,378	52,805	55,240	57,702
Retained surplus	2,472	-928	(4,328)	(7,728)	(11,128)
Total parent entity interest	50,400	49,450	48,477	47,512	46,574
Total Equity	50,400	49,450	48,477	47,512	46,574

Prepared on an Australian accounting standards basis.

**Table 3.2.3 Budgeted statement of changes in equity – summary of movement
(Budget Year 2014–15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	2,472	-	-	47,928	50,400
Adjusted opening balance	2,472	-	-	47,928	50,400
Comprehensive income					
Surplus (deficit) for the period	(3,400)	-	-	-	(3,400)
Total comprehensive income	(3,400)	-	-	-	(3,400)
of which:					
Attributable to the Australian Government	(3,400)	-	-	-	(3,400)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	2,450	2,450
Sub-total transactions with owners	-	-	-	2,450	2,450
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2015	(928)	-	-	50,378	49,450

Prepared on an Australian accounting standards basis.

Table 3.2.4 Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	87,894	79,785	79,807	78,953	80,247
Other	1,244	1,286	1,329	1,421	1,421
Total cash received	89,138	81,071	81,136	80,374	81,668
Cash used					
Employees	50,798	55,078	55,015	54,427	55,319
Suppliers	27,829	26,103	26,121	25,947	26,349
Total cash used	78,627	81,181	81,136	80,374	81,668
Net cash from (used by) operating activities	10,511	(110)	-	-	-
INVESTING ACTIVITIES					
Cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	10,860	2,340	2,427	2,435	2,462
Total cash used	10,860	2,340	2,427	2,435	2,462
Net cash from (used by) investing activities	(10,860)	(2,340)	(2,427)	(2,435)	(2,462)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	349	2,450	2,427	2,435	2,462
Total cash received	349	2,450	2,427	2,435	2,462
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	349	2,450	2,427	2,435	2,462
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	421	421	421	421	421
Cash and cash equivalents at the end of the reporting period	421	421	421	421	421

Prepared on an Australian accounting standards basis.

Table 3.2.5 Departmental capital budget statement

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	349	2,450	2,427	2,435	2,462
Equity injections - Bill 2	-	-	-	-	-
Total new capital appropriations	349	2,450	2,427	2,435	2,462
Provided for:					
Purchase of non-financial assets	349	2,450	2,427	2,435	2,462
Total Items	349	2,450	2,427	2,435	2,462
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	-	-	-	-	-
Funded by capital appropriation - DCB ²	860	2,340	2,427	2,435	2,462
Funded internally from departmental resources ³	10,000	-	-	-	-
TOTAL	10,860	2,340	2,427	2,435	2,462
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,860	2,340	2,427	2,435	2,462
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
Total cash used to acquire assets	10,860	2,340	2,427	2,435	2,462

¹ Includes both current and prior Bill 2/4/6 appropriations and special capital appropriations

² Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

³ Includes the following sources of funding:

- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Prepared on an Australian accounting standards basis.

Table 3.2.6 Statement of asset movements (2014–15)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014				
Gross book value	28,660	5,889	2,374	36,923
Accumulated depreciation/amortisation and impairment	(11,206)	(1,194)	(1,375)	(13,775)
Opening net book balance	17,454	4,695	999	23,148
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	194	1,111	1,035	2,340
Disposals	-	-	-	-
Total additions	194	1,111	1,035	2,340
Other movements				
Depreciation/amortisation expense	(2,200)	(900)	(300)	(3,400)
Disposals ²	-	-	-	-
Total other movements	(2,200)	(900)	(300)	(3,400)
As at 30 June 2015				
Gross book value	28,854	7,000	3,409	39,263
Accumulated depreciation/amortisation and impairment	(13,406)	(2,094)	(1,675)	(17,175)
Closing net book balance	15,448	4,906	1,734	22,088

¹ "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2014-15 for depreciation / amortisation expenses, DCBs or other operational expenses.

² Net proceeds may be returned to the OPA.

Prepared on an Australian accounting standards basis.

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

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Total expenses administered on behalf of Government	-	-	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue	-	-	-	-	-
Taxation revenue	-	-	-	-	-
Total taxation revenue	-	-	-	-	-
Non-taxation revenue					
Other revenue	582	582	582	582	582
Total non-taxation revenue	582	582	582	582	582
Total own-source revenues administered on behalf of Government	582	582	582	582	582
Gains	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net Cost of (contribution by) services	-	-	-	-	-
Surplus (Deficit)	582	582	582	582	582
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss)	582	582	582	582	582

Prepared on an Australian accounting standards basis.

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

The Fair Work Commission has no administered assets and liabilities. For this reason Table 3.2.8 is not presented.

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

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Other	582	582	582	582	582
Total cash received	582	582	582	582	582
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) operating activities	582	582	582	582	582
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash to Official Public Account for:					
- other	582	582	582	582	582
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on an Australian accounting standards basis.

Table 3.2.10 Schedule of administered capital budget statement

The Fair Work Commission has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11 Statement of administered asset movements (2014–15)

The Fair Work Commission has no administered assets and liabilities. For this reason Table 3.2.11 is not presented.

3.2.4 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.

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 Fair Work Commission 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 will be recognised upon the delivery of the goods or services to customers.

Departmental Expenses – Employees

This item will represent 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 will represent 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 using, in all cases, the straight-line method of depreciation.

Property plant and equipment assets will be depreciated over their useful lives between three and ten years. Leasehold improvements will be amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Departmental Assets – Financial Assets – Receivables

Receivables represent amounts which will be owing to the Fair Work Commission 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 Fair Work Commission 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 from the transferring agencies.

Land and Buildings, and Infrastructure, Plant and Equipment will initially be brought to account at cost, except for purchases costing less than \$10,000 for leasehold improvements and \$2,000 for all other classes, which will be 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, will be expensed in the year of acquisition except for purchases or internally developed software costing more than \$2,000 which are capitalised at cost.

The Fair Work Commission will annually reassess and adjust the values of Land and Buildings (leasehold improvements), Infrastructure, Plant and Equipment.

Departmental Liabilities – Provisions – Employees

Provision will be made for the Fair Work Commissions liability for employee entitlements arising from services rendered by the Fair Work Commission, Members and employees to balance date. This liability will encompass unpaid wages and salaries, annual and long service leave and Judges' leave. No provision will be made for sick leave.

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

Other employee entitlements payable later than one year will be 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 will be taken into account.

