

# **AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION/AUSTRALIAN INDUSTRIAL REGISTRY**

|  |            |
|--|------------|
| <b>Section 1: Agency overview and resources .....</b>                        | <b>195</b> |
| 1.1 Strategic direction .....  | 195        |
| 1.2 Agency resource statement.....   | 197        |
| 1.3 Budget measures.....   | 198        |
| 1.4 Transition from outcomes and outputs to outcomes and programs .....      | 198        |
| <b>Section 2: Outcomes and planned performance .....</b>                     | <b>199</b> |
| 2.1 Outcomes and performance information .....                               | 199        |
| <b>Section 3: Explanatory tables and budgeted financial statements .....</b> | <b>203</b> |
| 3.1 Explanatory tables .....   | 203        |
| 3.2 Budgeted Financial Statements.....                                       | 204        |



# AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION/AUSTRALIAN INDUSTRIAL REGISTRY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

#### **Australian Industrial Relations Commission**

The principal function of the Australian Industrial Relations Commission is the making of modern awards which are simple to understand and easy to apply, reduce the regulatory burden on business and together with legislated employment standards, provide a fair minimum safety net of enforceable terms and conditions of employment for employees while promoting flexible modern work practices and collective enterprise bargaining.

The Australian Industrial Relations Commission will also complete matters and processes commenced under the *Workplace Relations Act 1996*.

#### **Australian Industrial Registry**

The Australian Industrial Registry is to assist the Australian Industrial Relations Commission in its role relating to modern awards and matters and processes commenced under the *Workplace Relations Act 1996*.

Most of the provisions of the *Fair Work Act 2009* will commence on 1 July 2009. The remaining provisions, relating to the new safety net, are expected to commence on 1 January 2010. The *Fair Work Act 2009* will repeal the *Workplace Relations Act 1996* but preserve the operation of certain provisions, including Part 10A which relates to award modernisation. The staff and assets and liabilities of the Australian Industrial Relations Commission and the Australian Industrial Registry (AIRC/AIR) will transfer to Fair Work Australia on 1 July 2009.

*AIRC/AIR Budget Statements – Overview & resources*

The General Manager, Fair Work Australia will enter into a Memorandum of Understanding with the Industrial Registrar for the use of Fair Work Australia staff, assets and other resources to support the completion of Australian Industrial Relations Commission and Australian Industrial Registry functions in 2009-10 as efficiently as possible.

Subject to any Ministerial determinations the Australian Industrial Relations Commission and the Australian Industrial Registry will cease operations on 31 December 2009 in accordance with the *Fair Work Act 2009*.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Australian Industrial Relations Commission/Australian Industrial Registry resource statement — Budget estimates for 2009-10 as at Budget May 2009**

|  | Estimate<br>of prior +<br>year amounts<br>available in<br>2009-10<br>\$'000 | Proposed<br>at Budget =<br>2009-10<br>\$'000 | Total<br>Estimate<br>2009-10<br>\$'000 | Actual<br>Available<br>Appropriation<br>2008-09<br>\$'000 |
|--|---|--|--|---|
| <b>Ordinary Annual Services<sup>1</sup></b>  |   |  |  |   |
| <b>Departmental</b>  |   |  |  |   |
| Prior year Departmental appropriation  | -   | -  | -                                      | 33,318  |
| Departmental appropriation   | -   | 7,282  | 7,282                                  | 55,258  |
| s31 Relevant agency receipts <sup>3</sup>  | -   | -  | -                                      | 987   |
| <b>Total</b>   | -   | <b>7,282</b>                                 | <b>7,282</b>                           | <b>89,563</b>   |
| <b>Total ordinary annual services</b> A  | -   | <b>7,282</b>                                 | <b>7,282</b>                           | <b>89,563</b>   |
| <b>Other services<sup>2</sup></b>  |   |  |  |   |
| <b>Departmental non-operating</b>  |   |  |  |   |
| Equity injections  | -   | -  | -                                      | 8,802   |
| <b>Total</b>   | -   | -  | -                                      | <b>8,802</b>  |
| <b>Total other services</b> B  | -   | -  | -                                      | <b>8,802</b>  |
| <b>Total Available Annual Appropriations</b>   | -   | <b>7,282</b>                                 | <b>7,282</b>                           | <b>98,365</b>   |
| <b>Special Appropriations</b>  |   |  |  |   |
| <b>Special Appropriations limited by criteria/entitlement</b>  |   |  |  |   |
| Special Appropriation <i>Judges Pension Act 1968</i>   | -   | 3,604  | 3,604                                  | 3,525   |
| <b>Total Special Appropriations</b> C  | -   | <b>3,604</b>                                 | <b>3,604</b>                           | <b>3,525</b>  |
| <b>Total resourcing</b> A+B+C  | -   | <b>10,886</b>                                | <b>10,886</b>                          | <b>101,890</b>  |
| Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations | -   | -  | -                                      | -   |
| <b>Total net resourcing for Australian Industrial Relations Commission/Australian Industrial Registry</b>  | -   | <b>10,886</b>                                | <b>10,886</b>                          | <b>101,890</b>  |

<sup>1</sup> Appropriation Bill (No.1) 2009-10

<sup>2</sup> Appropriation Bill (No.2) 2009-10

<sup>3</sup> s31 Relevant Agency receipts - estimate

**Table 1.1: Australian Industrial Relations Commission/Australian Industrial Registry resource statement — Budget estimates for 2009-10 as at Budget May 2009 (cont)**

**Third Party Payments from and on behalf of other agencies**

|  | 2009-10<br>\$'000 | 2008-09<br>\$'000 |
|--|-------------------|-------------------|
| Payments made on behalf of other agencies (Third Party drawing rights) (disclosed above) | 3,604             | 3,525             |
| Payments made to other agencies for the provision of services (disclosed above)          | 5,814             | -                 |

### 1.3 BUDGET MEASURES

The Australian Industrial Relations Commission/Australian Industrial Registry does not have any new measures since the 2008-09 Budget. For this reason Table 1.2 is not presented.

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

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates) which was presented in administered items, outputs and output groups to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

**Figure 2: Transition table**

| 2008-09 Budget year  | 2009-10 Budget year  |
|--|--|
| Outcome 1: Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia<br><br>Output Group 1.1: Dispute resolution, awards, orders and decisions | Outcome 1: Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia<br><br>Program 1: Award modernisation and matters and processes commenced under the <i>Workplace Relations Act 1996</i> |

**Note:** Output Group 1.2: *Registered organisations, compliance checks and investigations* and Output Group 1.3: *Publication and information services* will transfer to Fair Work Australia on 1 July 2009.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

Outcome 1 is described below together with its related program, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Industrial Relations Commission/Australian Industrial Registry in achieving Government outcomes.

|   |
|---|
| <b>Outcome 1: Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia</b> |
|---|

#### Outcome 1 Strategy

- The key strategy for the Australian Industrial Relations Commission/Australian Industrial Registry is the completion of the award modernisation process by 31 December 2009.
- The modern awards are to be simple to understand and easy to apply, reduce the regulatory burden on business and together with legislated employment standards, provide a fair minimum safety net of enforceable terms and conditions of employment for employees while promoting flexible modern work practices and collective enterprise bargaining.
- The Australian Industrial Relations Commission will also complete matters and processes commenced under the *Workplace Relations Act 1996*.

**Outcome 1 Budgeted Expenses and Resources**

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

**Table 2.1: Budgeted Expenses and Resources for Outcome 1**

| <b>Outcome 1: Co-operative workplace relations which promote the economic prosperity and welfare of the people of Australia</b> | 2008-09                                   | 2009-10                         |
|---|---|---------------------------------|
|   | Estimated<br>Actual<br>Expenses<br>\$'000 | Estimated<br>Expenses<br>\$'000 |
| <b>Program 1</b>  |   |                                 |
| Administered Expenses   |   |                                 |
| Special Appropriations  |   |                                 |
| Special Appropriations Act: <i>Judges Pension Act 1968</i>  | 3,525                                     | <b>3,604</b>                    |
| Departmental Expenses   |   |                                 |
| Ordinary Annual Services (Appropriation Bill No. 1)   | 55,258                                    | <b>7,282</b>                    |
| Revenues from Independent Sources (Section 31)  | 987                                       | -                               |
| <b>Total for Program 1</b>  | <b>59,770</b>                             | <b>10,886</b>                   |
| <b>Outcome 1 Totals by Appropriation type</b>   |   |                                 |
| Administered Expenses   |   |                                 |
| Special Appropriations  |   |                                 |
| Special Appropriations Act: <i>Judges Pension Act 1968</i>  | 3,525                                     | <b>3,604</b>                    |
| Departmental Expenses   |   |                                 |
| Ordinary Annual Services (Appropriation Bill No. 1)   | 55,258                                    | <b>7,282</b>                    |
| Revenues from Independent Sources (Section 31)  | 987                                       | -                               |
| <b>Total Expenses for Outcome 1</b>   | <b>59,770</b>                             | <b>10,886</b>                   |
|   | <b>2008-09</b>                            | <b>2009-10</b>                  |
| <b>Average Staffing Level (number)</b>  | 233                                       | <b>1*</b>                       |

\* This represents the statutory office of the Industrial Registrar

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



## Contributions to Outcome 1

### Program 1: Award modernisation and processes commenced under the Workplace Relations Act 1996

#### Program objective

- The modern award process is completed by 31 December 2009 in accordance with the objectives outlined in the *Workplace Relations Act 1996* Part 10A.

#### Program expenses

- No estimates for departmental expenditure are shown in the forward years as the Australian Industrial Relations Commission/Australian Industrial Registry will cease operations on 31 December 2009, in accordance with the *Fair Work Act 2009*.

#### Administered Program Table

|   | 2008-09<br>Revised<br>budget | 2009-10<br>Budget | 2010-11<br>Forward<br>year 1 | 2011-12<br>Forward<br>year 2 | 2012-13<br>Forward<br>year 3 |
|---|------------------------------|-------------------|------------------------------|------------------------------|------------------------------|
| (\$'000)  |                              |                   |                              |                              |                              |
| Special Appropriations:                                   |                              |                   |                              |                              |                              |
| <i>Special Appropriation Act: Judges Pension Act 1968</i> | 3,525                        | 3,604             | 3,770*                       | 3,956*                       | 4,126*                       |
| <b>Total Administered Expenses</b>                        | <b>3,525</b>                 | <b>3,604</b>      | <b>3,770</b>                 | <b>3,956</b>                 | <b>4,126</b>                 |

\* It is expected that the delegated functions/powers relating to the Judges Pension will transfer from the Industrial Registrar to the General Manager, Fair Work Australia on 31 December 2009.

#### Departmental Program Table

|                                    | 2008-09<br>Revised<br>budget | 2009-10<br>Budget | 2010-11<br>Forward<br>year 1 | 2011-12<br>Forward<br>year 2 | 2012-13<br>Forward<br>year 3 |
|------------------------------------|------------------------------|-------------------|------------------------------|------------------------------|------------------------------|
| (\$'000)                           |                              |                   |                              |                              |                              |
| Annual Departmental Expenses:      |                              |                   |                              |                              |                              |
| Departmental Outputs               | 55,258                       | 7,282             | -                            | -                            | -                            |
| <b>Total Departmental Expenses</b> | <b>55,258</b>                | <b>7,282</b>      | -                            | -                            | -                            |

*AIRC/AIR Budget Statements – Outcomes & performance*

**Program 1 Deliverables**

- Completion of the award modernisation process by the 31 December 2009.

| Key Performance Indicators   | 2008-09 Revised budget | 2009-10 Budget Target | 2010-11 Forward year 1 | 2011-12 Forward year 2 | 2012-13 Forward year 3 |
|--|------------------------|-----------------------|------------------------|------------------------|------------------------|
| Completion of award modernisation by 31 December 2009 in accordance with the KPI as stated above | N/A                    | 100%                  | N/A                    | N/A                    | N/A                    |

**Program 1 Key Performance Indicators**

- That the modern awards are to be simple to understand and easy to apply, reduce the regulatory burden on business and together with legislated employment standards, provide a fair minimum safety net of enforceable terms and conditions of employment for employees while promoting flexible modern work practices and collective enterprise bargaining.

| Key Performance Indicators   | 2008-09 Revised budget | 2009-10 Budget Target | 2010-11 Forward year 1 | 2011-12 Forward year 2 | 2012-13 Forward year 3 |
|--|------------------------|-----------------------|------------------------|------------------------|------------------------|
| Completion of award modernisation in accordance with the KPI as stated above | N/A                    | 100%                  | N/A                    | N/A                    | N/A                    |

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Movement of administered funds between years**

The Australian Industrial Relations Commission/Australian Industrial Registry has no movement of administered funds from 2008-09 to 2009-10. For this reason Table 3.1.1 is not presented.

#### **3.1.2 Special Accounts**

The Australian Industrial Relations Commission/Australian Industrial Registry has no special accounts. For this reason Table 3.1.2 is not presented.

#### **3.1.3 Australian Government Indigenous Expenditure**

The 2009-10 Australian Government Indigenous Statement is not applicable because the Australian Industrial Relations Commission/Australian Industrial Registry has no Indigenous specific expenses. 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 Australian Industrial Relations Commission/Australian Industrial Registry has nil differences to report.

### **3.2.2 Analysis of budgeted financial statements**

The Net Cost of Services provided by the Australian Industrial Relations Commission/Australian Industrial Registry in 2009-10 is \$7.3 million, as per the Budgeted Departmental Comprehensive Income Statement.

The Australian Industrial Relations Commission/Australian Industrial Registry Budgeted Departmental Balance Sheet as at 30 June 2010 reports no assets and liabilities as the Australian Industrial Relations Commission/Australian Industrial Registry will cease operation on 31 December 2009. Subject to any Ministerial determinations the assets and liabilities of the Australian Industrial Relations Commission/Australian Industrial Registry will transfer to Fair Work Australia, on the repeal date of the *Workplace Relations Act 1996*.

Estimated revenue from the collection of termination of employment lodgement fees is \$0.3 million, as per the Schedule of Budgeted Income and Expenses Administered on Behalf of Government. Estimated administered expenditure for pension payments to former presidential members of the Australian Industrial Relations Commission or their spouses under the *Judges Pension Act 1968* drawn down from the Attorney-General's Department total \$3.6 million.

### 3.2.3 Budgeted financial statements tables

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

|  | Estimated<br>actual<br>2008-09<br>\$'000 | Budget<br>estimate<br><b>2009-10</b><br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|--|--|--|--|--|
| <b>EXPENSES</b>  |  |  |  |  |  |
| Employee benefits  | 29,995                                   | 140  | -  | -  | -  |
| Supplier   | 25,265                                   | 7,142  | -  | -  | -  |
| Depreciation and amortisation  | 1,010                                    | -  | -  | -  | -  |
| <b>Total expenses</b>  | <b>56,270</b>                            | <b>7,282</b>                                   | -  | -  | -  |
| <b>LESS:</b>   |  |  |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |  |  |  |  |
| <b>Revenue</b>   |  |  |  |  |  |
| Other revenue  | 987                                      | -  | -  | -  | -  |
| <b>Total revenue</b>   | <b>987</b>                               | -  | -  | -  | -  |
| <b>Gains</b>   |  |  |  |  |  |
| Other gains  | 25                                       | -  | -  | -  | -  |
| <b>Total gains</b>   | <b>25</b>                                | -  | -  | -  | -  |
| <b>Total own-source income</b>   | <b>1,012</b>                             | -  | -  | -  | -  |
| <b>Net cost of (contribution by) services</b>                          | <b>55,258</b>                            | <b>7,282</b>                                   | -  | -  | -  |
| Appropriation revenue  | 55,258                                   | 7,282  | -  | -  | -  |
| <b>Surplus (Deficit) attributable to the<br/>Australian Government</b> | <b>-</b>                                 | <b>-</b>                                       | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |

Prepared on Australian Accounting Standards basis.

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

|   | Estimated<br>actual<br>2008-09<br>\$'000 | Budget<br>estimate<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|--|---|--|--|--|
| <b>ASSETS</b>                                 |  |   |  |  |  |
| <b>Financial assets</b>                       |  |   |  |  |  |
| Cash and equivalents                          | 252                                      | -                                       | -  | -  | -  |
| Trade and other Receivables                   | 42,304                                   | -                                       | -  | -  | -  |
| <b>Total financial assets</b>                 | <b>42,556</b>                            | -                                       | -  | -  | -  |
| <b>Non-financial assets</b>                   |  |   |  |  |  |
| Land and buildings                            | 3,256                                    | -                                       | -  | -  | -  |
| Infrastructure, plant and equipment           | 1,027                                    | -                                       | -  | -  | -  |
| Intangibles                                   | 996                                      | -                                       | -  | -  | -  |
| Other   | 1,246                                    | -                                       | -  | -  | -  |
| <b>Total non-financial assets</b>             | <b>6,525</b>                             | -                                       | -  | -  | -  |
| <b>Total assets</b>                           | <b>49,081</b>                            | -                                       | -  | -  | -  |
| <b>LIABILITIES</b>                            |  |   |  |  |  |
| <b>Provisions</b>                             |  |   |  |  |  |
| Employees                                     | 11,168                                   | -                                       | -  | -  | -  |
| Other   | 6,957                                    | -                                       | -  | -  | -  |
| <b>Total provisions</b>                       | <b>18,125</b>                            | -                                       | -  | -  | -  |
| <b>Payables</b>                               |  |   |  |  |  |
| Suppliers                                     | 680                                      | -                                       | -  | -  | -  |
| <b>Total payables</b>                         | <b>680</b>                               | -                                       | -  | -  | -  |
| <b>Total liabilities</b>                      | <b>18,805</b>                            | -                                       | -  | -  | -  |
| <b>Net assets</b>                             | <b>30,276</b>                            | -                                       | -  | -  | -  |
| <b>EQUITY*</b>                                |  |   |  |  |  |
| <b>Parent entity interest</b>                 |  |   |  |  |  |
| Contributed equity                            | 8,802                                    | -                                       | -  | -  | -  |
| Reserves                                      | 186                                      | -                                       | -  | -  | -  |
| Retained surpluses or<br>accumulated deficits | 21,288                                   | -                                       | -  | -  | -  |
| <b>Total parent entity interest</b>           | <b>30,276</b>                            | -                                       | -  | -  | -  |
| <b>Minority interest</b>                      | -  | -                                       | -  | -  | -  |
| <b>Total minority interest</b>                | -  | -                                       | -  | -  | -  |
| <b>Total equity</b>                           | <b>30,276</b>                            | -                                       | -  | -  | -  |
| <b>Current assets</b>                         | 43,802                                   | -                                       | -  | -  | -  |
| <b>Non-current assets</b>                     | 5,279                                    | -                                       | -  | -  | -  |
| <b>Current liabilities</b>                    | 11,724                                   | -                                       | -  | -  | -  |
| <b>Non-current liabilities</b>                | 6,401                                    | -                                       | -  | -  | -  |

\* 'Equity' is the residual interest in assets after deduction of liabilities.  
Prepared on Australian Accounting Standards basis.

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

|  | Estimated<br>actual<br>2008-09<br>\$'000 | Budget<br>estimate<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|--|---|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                  |  |   |  |  |  |
| <b>Cash received</b>   |  |   |  |  |  |
| Appropriations   | 55,258                                   | 7,282                                   | -  | -  | -  |
| Other  | 987                                      | -                                       | -  | -  | -  |
| <b>Total cash received</b>                                   | <b>56,245</b>                            | <b>7,282</b>                            | -  | -  | -  |
| <b>Cash used</b>   |  |   |  |  |  |
| Employees  | 29,995                                   | 140                                     | -  | -  | -  |
| Suppliers  | 25,240                                   | 7,142                                   | -  | -  | -  |
| <b>Total cash used</b>                                       | <b>55,235</b>                            | <b>7,282</b>                            | -  | -  | -  |
| <b>Net cash from or (used by)<br/>operating activities</b>   | <b>1,010</b>                             | -                                       | -  | -  | -  |
| <b>INVESTING ACTIVITIES</b>                                  |  |   |  |  |  |
| <b>Cash received</b>   |  |   |  |  |  |
| <b>Total cash received</b>                                   | -  | -                                       | -  | -  | -  |
| <b>Cash used</b>   |  |   |  |  |  |
| Purchase of property, plant<br>and equipment and intangibles | 1,010                                    | -                                       | -  | -  | -  |
| <b>Total cash used</b>                                       | <b>1,010</b>                             | -                                       | -  | -  | -  |
| <b>Net cash from or (used by)<br/>investing activities</b>   | <b>(1,010)</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 or (used by)<br/>financing activities</b>   | -  | -                                       | -  | -  | -  |
| <b>Net increase or (decrease)<br/>in cash held</b>           |  |   |  |  |  |
| Cash at the beginning of<br>the reporting period             | 252                                      | -                                       | -  | -  | -  |
| <b>Cash at the end of the<br/>reporting period</b>           | <b>252</b>                               | -                                       | -  | -  | -  |

Prepared on Australian Accounting Standards basis.

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

|  | Retained earnings | Asset revaluation reserve | Other reserves | Contributed equity/capital | Total equity    |
|--|-------------------|---------------------------|----------------|----------------------------|-----------------|
|  | \$'000            | \$'000                    | \$'000         | \$'000                     | \$'000          |
| <b>Opening balance as at 1 July 2009</b>                       |                   |                           |                |                            |                 |
| Balance carried forward from previous period                   | 21,288            | 186                       | -              | 8,802                      | 30,276          |
| <b>Adjusted opening balance</b>                                | <b>21,288</b>     | <b>186</b>                | <b>-</b>       | <b>8,802</b>               | <b>30,276</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>        |
| Surplus (deficit) for the period                               | -                 | -                         | -              | -                          | -               |
| <b>Total income and expenses recognised directly in equity</b> | <b>-</b>          | <b>-</b>                  | <b>-</b>       | <b>-</b>                   | <b>-</b>        |
| <b>Transactions with owners</b>                                |                   |                           |                |                            |                 |
| <i>Distribution to owners</i>                                  |                   |                           |                |                            |                 |
| Returns of capital   |                   |                           |                |                            |                 |
| Restructuring  | (21,288)          | (186)                     | -              | (8,802)                    | (30,276)        |
| Contribution by owners   | -                 | -                         | -              | -                          | -               |
| <b>Sub-total transactions with owners</b>                      | <b>(21,288)</b>   | <b>(186)</b>              | <b>-</b>       | <b>(8,802)</b>             | <b>(30,276)</b> |
| Transfers between equity components                            | -                 | -                         | -              | -                          | -               |
| <b>Estimated closing balance as at 30 June 2010</b>            | <b>-</b>          | <b>-</b>                  | <b>-</b>       | <b>-</b>                   | <b>-</b>        |

Prepared on Australian Accounting Standards basis.



**Table 3.2.5: Departmental capital budget statement**

The Australian Industrial Relations Commission/Australian Industrial Registry has no departmental capital budget. For this reason Table 3.2.5 is not presented.

**Table 3.2.6: Statement of Asset Movements - Departmental**

|   | Other<br>Buildings<br>\$'000 | Other<br>Infrastructure,<br>Plant & Equipment<br>\$'000 | Intangibles<br>\$'000 | Other<br>Non-financial<br>Assets<br>\$'000 | Total<br>\$'000 |
|---|------------------------------|---|-----------------------|--|-----------------|
| <b>as at 1 July 2009</b>                              |                              |   |                       |  |                 |
| Gross book value                                      | 12,905                       | 1,755   | 2,357                 | 1,246                                      | 18,263          |
| Accumulated<br>depreciation/amortisation              | 9,649                        | 728   | 1,361                 | -  | 11,738          |
| <b>Opening net book balance</b>                       | <b>3,256</b>                 | <b>1,027</b>  | <b>996</b>            | <b>1,246</b>                               | <b>6,525</b>    |
| <b>CAPITAL ASSET ADDITIONS</b>                        |                              |   |                       |  |                 |
| Estimated expenditure on new or<br>replacement assets | -                            | -   | -                     | -  | -               |
| <b>Sub-total</b>                                      | <b>-</b>                     | <b>-</b>  | <b>-</b>              | <b>-</b>                                   | <b>-</b>        |
| <b>Other Movements</b>                                |                              |   |                       |  |                 |
| Asset transfer - restructuring                        | (3,256)                      | (1,027)   | (996)                 | (1,246)                                    | (6,525)         |
| <b>as at 30 June 2010</b>                             |                              |   |                       |  |                 |
| Gross book value                                      | -                            | -   | -                     | -  | -               |
| Accumulated<br>depreciation/amortisation              | -                            | -   | -                     | -  | -               |
| <b>Closing net book balance</b>                       | <b>-</b>                     | <b>-</b>  | <b>-</b>              | <b>-</b>                                   | <b>-</b>        |

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

|  | Estimated<br>actual<br>2008-09<br>\$'000 | Budget<br>estimate<br>2009-10<br>\$'000 | Forward*<br>estimate<br>2010-11<br>\$'000 | Forward*<br>estimate<br>2011-12<br>\$'000 | Forward*<br>estimate<br>2012-13<br>\$'000 |
|--|--|---|---|---|---|
| <b>INCOME ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>         |  |   |   |   |   |
| <b>Revenue</b>   |  |   |   |   |   |
| <b>Taxation</b>  | -  | -                                       | -   | -   | -   |
| <b>Total taxation</b>  | -  | -                                       | -   | -   | -   |
| <b>Non-taxation</b>  |  |   |   |   |   |
| Goods and services   | -  | -                                       | -   | -   | -   |
| Other sources of non-taxation<br>revenues                      | 272                                      | 272                                     | 272                                       | 272                                       | 272                                       |
| <b>Total non-taxation</b>                                      | 272                                      | 272                                     | 272                                       | 272                                       | 272                                       |
| <b>Total revenues administered<br/>on behalf of Government</b> | 272                                      | 272                                     | 272                                       | 272                                       | 272                                       |
| <b>EXPENSES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |  |   |   |   |   |
| Personal benefits  | 3,525                                    | 3,604                                   | 3770*                                     | 3956*                                     | 4126*                                     |
| <b>Total expenses administered<br/>on behalf of Government</b> | 3,525                                    | 3,604                                   | 3770*                                     | 3956*                                     | 4126*                                     |

\* It is expected that the delegated function/powers relating to the Judges Pension will transfer from the Industrial Registrar to the General Manager, Fair Work Australia on 31 December 2009.  
Prepared on Australian Accounting Standards basis.

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

The Australian Industrial Relations Commission/Australian Industrial Registry has no budgeted 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<br>actual<br>2008-09<br>\$'000 | Budget<br>estimate<br>2009-10<br>\$'000 | Forward*<br>estimate<br>2010-11<br>\$'000 | Forward*<br>estimate<br>2011-12<br>\$'000 | Forward*<br>estimate<br>2012-13<br>\$'000 |
|--|--|---|---|---|---|
| <b>OPERATING ACTIVITIES</b>                                |  |   |   |   |   |
| <b>Cash received</b>                                       |  |   |   |   |   |
| Other  | 272                                      | 272                                     | 272                                       | 272                                       | 272                                       |
| <b>Total cash received</b>                                 | <b>272</b>                               | <b>272</b>                              | <b>272</b>                                | <b>272</b>                                | <b>272</b>                                |
| <b>Cash used</b>   |  |   |   |   |   |
| Personal benefits  | 3,525                                    | 3,604                                   | 3,770                                     | 3,956                                     | 4,126                                     |
| <b>Total cash used</b>                                     | <b>3,525</b>                             | <b>3,604</b>                            | <b>3,770</b>                              | <b>3,956</b>                              | <b>4,126</b>                              |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>(3,253)</b>                           | <b>(3,332)</b>                          | <b>(3,498)</b>                            | <b>(3,684)</b>                            | <b>(3,854)</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 or (used by)<br/>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 or (used by)<br/>financing activities</b> | -  | -                                       | -   | -   | -   |
| <b>Net increase or (decrease) in<br/>cash held</b>         | <b>(3,253)</b>                           | <b>(3,332)</b>                          | <b>(3,498)</b>                            | <b>(3,684)</b>                            | <b>(3,854)</b>                            |
| Cash at beginning of reporting period                      | -  | -                                       | -   | -   | -   |
| Cash from Official Public Account for:                     |  |   |   |   |   |
| - appropriations   | 3,525                                    | 3,604                                   | 3,770                                     | 3,956                                     | 4,126                                     |
| Cash to Official Public Account for:                       |  |   |   |   |   |
| - appropriations   | (272)                                    | (272)                                   | (272)                                     | (272)                                     | (272)                                     |
| <b>Cash at end of reporting period</b>                     | -  | -                                       | -   | -   | -   |

\* It is expected that the delegated function/powers relating to the Judges Pension will transfer from the Industrial Registrar to the General Manager Fair Work Australia on 31 December 2009.  
Prepared on Australian Accounting Standards basis.

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

The Australian Industrial Relations Commission/Australian Industrial Registry has no administered capital budget. For this reason Table 3.2.10 is not presented.

**Table 3.2.11: Schedule of Asset Movements - Administered**

The Australian Industrial Relations Commission/Australian Industrial Registry has no administered asset movements. 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 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 Australian Industrial Registry 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 Australian Industrial Registry using, in all cases, the straight-line method of depreciation.

Property plant and equipment assets are depreciated over their useful lives between three and ten years. 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 Australian Industrial Registry 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 Australian Industrial Registry 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.

Land and Buildings, and Infrastructure, Plant and Equipment are initially brought to account at cost, except for purchases costing less than \$10,000 for leasehold improvements and \$1,000 for all other classes, 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 \$1,000 which are capitalised at cost.

The Australian Industrial Registry annually reassesses and adjusts the values of Land and Buildings (leasehold improvements), Infrastructure, Plant and Equipment.

**Departmental Liabilities – Provisions – Employees**

Provision has been made for the Australian Industrial Registry's liability for employee entitlements arising from services rendered by Australian Industrial Commission Members and Australian Industrial Registry employees to balance date. This liability encompasses unpaid wages and salaries, annual and long service leave and Judges' 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.

