

AUDITOR-GENERAL

Objectives

Consistent with the functions of the Auditor-General, as set out in the *Auditor-General Act 1996*, the objectives of the Auditor-General's Office (the Office) are to:

- promote accountability in the public administration of the Territory; and
- provide independent advice to the ACT Legislative Assembly on the efficiency and effectiveness of ACT public services.

The Office performs its role mainly through conducting financial and performance audits and reporting the results of these audits to the ACT Legislative Assembly.

The Office also performs other activities such as responding to representations by the members of the Legislative Assembly and the community, providing advice and briefings to Legislative Assembly committees and agencies, and conducting investigations under the *Public Interest Disclosure Act 1994*.

2008-09 Priorities

Strategic and operational issues to be pursued in 2008-09 include:

- implementing the Office's recently developed *Strategic Plan 2008-2011* and *Action Plan 2008-09*;
- completing the financial audit program in accordance with whole-of-government financial reporting and annual reporting timetables;
- delivering timely and cost effective performance audits and other investigations in response to the community, Legislative Assembly and public sector agencies needs;
- implementing a quality assurance regime in accordance with new professional auditing and ethical standards; and
- implementing staff recruitment and retention strategies.

Business and Corporate Strategies

In order to achieve its objectives and priorities, the Office will operate under the guidance of its *Strategic Plan 2008-2011*. The 2008-09 Action Plan sets out the actions required to achieve the objectives and priorities in the *Strategic Plan 2008-2011*. The major focus for the office will be to:

- work collaboratively with agencies to identify opportunities to improve financial reporting and management, and overall performance;
- maximise opportunities offered in working in partnership with Auditor-General's Offices in other jurisdictions;

- improve the Office's performance through developing a better understanding of agencies' business and operating environments, participating in peer reviews and implementing a quality review framework; and
- meet staff needs by providing appropriate training and professional development and supporting flexible working arrangements.

Estimated Employment Level

2007-08 Budget		2007-08 Est. Outcome	2008-09 Budget
34	Staffing (FTE)	36	37

Changes to Appropriation

Changes to Appropriation

Government Payment for Outputs	2007-08 Est. Out. \$'000	2008-09 Budget \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000
2007-08 Budget	2,004	2,069	2,110	2,145	2,145
2008-09 Budget Technical Adjustments					
Revised Indexation Parameters	-	3	4	4	40
2008-09 Budget	2,004	2,072	2,114	2,149	2,185

Auditor-General Operating Statement

2007-08 Budget \$'000		2007-08 Est.Outcome \$'000	2008-09 Budget \$'000	Var %	2009-10 Estimate \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000
Income							
Revenue							
2,004	Government Payment for Outputs	2,004	2,072	3	2,114	2,149	2,185
896	User Charges - Non ACT Government	1,177	842	-28	841	851	874
2,248	User Charges - ACT Government	2,279	2,284	..	2,335	2,379	2,439
40	Interest	58	60	3	60	60	60
5,188	Total Revenue	5,518	5,258	-5	5,350	5,439	5,558
Gains							
0	Total Gains	0	0	-	0	0	0
5,188	Total Income	5,518	5,258	-5	5,350	5,439	5,558
Expenses							
2,895	Employee Expenses	2,897	2,954	2	2,996	3,044	3,118
495	Superannuation Expenses	484	493	2	501	514	519
1,784	Supplies and Services	2,007	1,745	-13	1,765	1,781	1,818
35	Depreciation and Amortisation	70	70	-	70	70	70
5,209	Total Ordinary Expenses	5,458	5,262	-4	5,332	5,409	5,525
-21	Operating Result	60	-4	-107	18	30	33

Auditor-General Balance Sheet

Budget as at 30/6/08 \$'000		Est.Outcome as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000	Var %	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000
Current Assets							
891	Cash and Cash Equivalents	924	993	7	1,083	1,196	1,312
1,148	Receivables	1,384	1,384	-	1,384	1,384	1,384
6	Other	5	5	-	5	5	5
2,045	Total Current Assets	2,313	2,382	3	2,472	2,585	2,701
Non Current Assets							
474	Property, Plant and Equipment	547	517	-5	487	457	427
474	Total Non Current Assets	547	517	-5	487	457	427
2,519	TOTAL ASSETS	2,860	2,899	1	2,959	3,042	3,128
Current Liabilities							
115	Payables	86	86	-	86	86	86
0	Finance Leases	14	14	-	14	14	14
843	Employee Benefits	841	876	4	911	946	976
16	Other	16	16	-	5	0	0
974	Total Current Liabilities	957	992	4	1,016	1,046	1,076
Non Current Liabilities							
0	Finance Leases	53	53	-	53	53	53
69	Employee Benefits	65	88	35	111	134	157
20	Other	20	5	-75	0	0	0
89	Total Non Current Liabilities	138	146	6	164	187	210
1,063	TOTAL LIABILITIES	1,095	1,138	4	1,180	1,233	1,286
1,456	NET ASSETS	1,765	1,761	..	1,779	1,809	1,842
REPRESENTED BY FUNDS EMPLOYED							
1,456	Accumulated Funds	1,765	1,761	..	1,779	1,809	1,842
1,456	TOTAL FUNDS EMPLOYED	1,765	1,761	..	1,779	1,809	1,842

**Auditor-General
Cash Flow Statement**

2007-08 Budget \$'000		2007-08 Est.Outcome \$'000	2008-09 Budget \$'000	Var %	2009-10 Estimate \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
2,004	Cash from Government for Outputs	2,004	2,072	3	2,114	2,149	2,185
3,144	User Charges	3,456	3,126	-10	3,176	3,230	3,313
40	Interest Received	58	60	3	60	60	60
216	Other Revenue	216	216	-	222	228	234
5,404	Operating Receipts	5,734	5,474	-5	5,572	5,667	5,792
Payments							
3,334	Related to Employees	3,334	3,433	3	3,494	3,551	3,602
1,800	Related to Supplies and Services	2,049	1,756	-14	1,766	1,775	1,840
216	Other	216	216	-	222	228	234
5,350	Operating Payments	5,599	5,405	-3	5,482	5,554	5,676
54	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	135	69	-49	90	113	116
54	NET INCREASE/(DECREASE) IN CASH HELD	135	69	-49	90	113	116
837	CASH AT BEGINNING OF REPORTING PERIOD	789	924	17	993	1,083	1,196
891	CASH AT THE END OF THE REPORTING PERIOD	924	993	7	1,083	1,196	1,312

Auditor-General Statement of Changes in Equity

Budget as at 30/6/08 \$'000		Est.Outcome as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000	Var %	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000
1,477	Opening Balance	1,705	1,765	4	1,761	1,779	1,809
	Accumulated Funds						
-21	Operating Result for the Period	60	-4	-107	18	30	33
	Reserves						
-21	Total Income And Expense For The Period	60	-4	-107	18	30	33
	Transactions Involving Equity Holders Affecting Accumulated Funds						
1,456	Closing Balance	1,765	1,761	..	1,779	1,809	1,842

Notes to the Budget Statements

The Auditor-General's budget is determined by a procedure set in legislation. After consultation with the Auditor-General, the Standing Committee on Public Accounts advises the Treasurer of the level of funding which the Committee considers appropriate for the Auditor-General's Office.

Significant variations are as follows:

Operating Statement

- user charges – non ACT Government: the increase of \$0.281 million in the 2007-08 estimated outcome from the original budget and the decrease of \$0.335 million in the 2008-09 budget from the 2007-08 estimated outcome is associated with the recovery of higher auditing costs of the financial reports of non ACT Government agencies in 2007-08 which are not expected to occur in 2008-09.
- supplies and services expenses: the increase of \$0.223 million in the 2007-08 estimated outcome from the original budget and the decrease of \$0.262 million in the 2008-09 budget from the 2007-08 estimated outcome is due to meeting higher costs charged by contract audit firms for additional audit work relating to the audit of financials of non ACT Government agencies in 2007-08 which are not expected to occur in 2008-09.

Balance Sheet

- employee benefits: the increase of \$0.023 million in the 2008-09 Budget from the 2007-08 estimated outcome is due to increases in non-current leave liabilities, particularly in relation to senior staff within the Office.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.