

# Statement of Finances

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**2009-10**



Presented by

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Treasurer of the State of Victoria  
for the information of Honourable Members

**Budget Paper No. 4**



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## INTRODUCTION

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Budget Paper No. 4, *Statement of Finances*, provides the financial details of the aggregated Victorian general government (GG) sector as outlined in Budget Paper No. 2, *Strategy and Outlook*. This information includes details on sources of funding, and how the departments are funding their service delivery.

This budget paper takes into account the financial impacts of all policy decisions taken by the Victorian Government, as well as Commonwealth Government funding revisions and other information that affects the projected GG sector financial statements as at 29 April 2009 unless otherwise stated. Financial impacts of decisions taken after that date, including the April meeting of the Council of Australian Governments will be reflected in the *2009-10 Budget Update*.

Budget Paper No. 4 consists of the following chapters and appendices:

### **Chapter 1 – Estimated Financial Statements and Notes**

This chapter presents the Estimated Financial Statements and accompanying notes for the Victorian GG sector for the period 2009-10 to 2012-13. The statements are presented in a format consistent with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, issued by the Australian Accounting Standards Board (AASB) in October 2007 and applicable to annual reporting periods commencing 1 July 2008. The statements also comply with the Uniform Presentation Framework (UPF) as it relates to the GG sector, with the UPF adopting AASB 1049 as the presentation framework across jurisdictions from 2008 onwards.

The Estimated Financial Statements are consistent with the Financial Policy Objectives and Strategies Statement (see Budget Paper No. 2, Chapter 1, *Economic and Fiscal Strategies and Objectives*) in accordance with the requirements of the *Financial Management Act 1994*.

Additional disclosures in relation to the UPF are included in Chapter 2, along with a compliance index of all UPF tables.

The Victorian Auditor General has reviewed the Estimated Financial Statements for the Victorian GG sector. The Auditor General's Review Statement is presented at the beginning of Chapter 1.

## **Chapter 2 – Supplementary Uniform Presentation Framework Tables**

Chapter 2 forms part of the UPF along with Chapter 1, and provides additional information of sectoral financial statements for the public non-financial corporations sector and for the non-financial public sector. These financial statements are also presented in a format consistent with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, which has been adopted as the presentation framework by the UPF. In addition, the chapter includes details of Victoria's infrastructure projects with private sector investment where contracts are expected to be signed in 2009-10.

## **Chapter 3 – Departmental Financial Statements**

Chapter 3 contains departmental financial estimates that detail information on departmental resources, as well as the authority for resources for each department.

The departmental Estimated Financial Statements are presented on a consolidated basis for all general government reporting entities within each departmental portfolio. They form the basis of the consolidated Estimated Financial Statements for the Victorian GG sector provided in Chapter 1.

## **Chapter 4 – State Revenue**

Chapter 4 outlines the major sources of state revenue, both state-sourced revenue, (including taxes, fines and regulatory fees, dividends, income tax and rate equivalent revenue), and revenue provided through Commonwealth grants, for both general and specific purposes. The estimates of Commonwealth Government grants represent the latest information available to the Victorian Government at the time of finalisation of Victoria's *2009-10 Budget*.

## **Chapter 5 – Tax Expenditures and Concessions**

Chapter 5 fulfils the higher level disclosure requirements under the *Financial Management Act 1994* by providing an overview and forward estimates of tax expenditures. This chapter also outlines the estimated cost of Victorian Government concessions.

## **Chapter 6 – Public Account**

Chapter 6 discloses information on the Public Account, which includes estimated transactions and the year-end balances of the Consolidated Fund and the Trust Fund. Details of estimated Consolidated Fund receipts, payments, special appropriations and annual departmental appropriations are also provided. Information relating to Trust Fund activities include estimated cash flows and projected year-end balances.

## **Chapter 7 – Contingent Assets and Contingent Liabilities**

Chapter 7 discloses information on the State's contingent assets and liabilities. It provides an overview of assets and liabilities that could arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the GG sector. This chapter discloses both quantifiable and non-quantifiable contingent assets and liabilities.

## **Appendix A – Historical and Forward Estimates Tables**

The historical and forward estimates tables in Appendix A show the trend in GG sector aggregate cash flows over the period 1986-87 to 2012-13. In addition, the general government net results for the period 1996-97 to 2012-13 is provided.

The remaining tables show information for the GG sector classified by government purpose. The accruals expenditure series classified by purpose is presented for the period 1961-62 to 2012-13.

## **Appendix B – Quarterly Financial Report for the Victorian General Government Sector**

Appendix B presents the quarterly financial report for the Victorian GG sector, incorporating the actual outcomes for the nine month period ended 31 March 2009, and quarter by quarter results. The March year to date outcomes are compared with the full year revised *2008-09 Budget*.

## **Appendix C – Revised 2008-09 Budget Outcome**

The Revised *2008-09 Budget* outcome is presented in Appendix C. The revised 2008-09 estimates take into account government policy decisions and economic developments affecting both revenue and expenses since the presentation of the *2008-09 Budget* to Parliament in May 2008.

