

# MURRAY-DARLING BASIN AUTHORITY

<b>SECTION 1: ENTITY OVERVIEW AND RESOURCES .....</b>	<b>69</b>
1.1 Strategic direction statement .....	69
1.2 Entity resource statement .....	70
1.3 Entity measures .....	71
1.4 Additional estimates, resourcing and variations to outcomes .....	72
1.5 Breakdown of additional estimates by Appropriation Bill.....	73
<b>SECTION 2: REVISIONS TO OUTCOMES AND PLANNED PERFORMANCE .....</b>	<b>74</b>
2.1 Changes to outcome and program structures .....	74
2.2 Budgeted expenses and performance for Outcome 1 .....	75
<b>SECTION 3: SPECIAL ACCOUNT FLOWS AND BUDGETED FINANCIAL STATEMENTS .....</b>	<b>76</b>
3.1 Special account flows .....	76
3.2 Budgeted financial statements.....	77



# **MURRAY-DARLING BASIN AUTHORITY**

## **Section 1: Entity overview and resources**

### **1.1 STRATEGIC DIRECTION STATEMENT**

There have been no changes to the Murray-Darling Basin Authority's strategic direction statement since the 2018-19 Portfolio Budget Statements.

## 1.2 ENTITY RESOURCE STATEMENT

These tables detail resourcing for the Murray-Darling Basin Authority at 2018–19 Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2018–19 Budget year, including variations through Appropriation Bills (No. 3) and (No. 4) 2018–19, Special Appropriations and Special Accounts.

**Table 1.1: Murray-Darling Basin Authority – Resource Statement as at 2018–19 Additional Estimates – February 2019**

	Actual available appropriation	Estimate as at Budget	Proposed Additional Estimates	Total estimate at Additional Estimates
	2017–18 \$'000	2018–19 \$'000	2018–19 \$'000	2018–19 \$'000
<b>Funds from Government</b>				
<b>Revenue from Government</b>				
<b>Ordinary annual services<sup>(a)</sup></b>				
Outcome 1	78,910	91,700	2,500	<b>94,200</b>
<b>Total annual appropriations</b>	<b>78,910</b>	<b>91,700</b>	<b>2,500</b>	<b>94,200</b>
<b>Payments from related entities<sup>(b)</sup></b>				
Amounts from portfolio department	11,701	11,027	979	<b>12,006</b>
<b>Total amounts received from related entities</b>	<b>11,701</b>	<b>11,027</b>	<b>979</b>	<b>12,006</b>
<b>Total funds from Government</b>	<b>90,611</b>	<b>102,727</b>	<b>3,479</b>	<b>106,206</b>
<b>Funds from other sources</b>				
Royalties	2,132	1,100	-	<b>1,100</b>
Sale of goods and services	195	238	-	<b>238</b>
Grant	82,362	78,554	6,797	<b>85,351</b>
Other	4,343	3,465	905	<b>4,370</b>
<b>Total funds from other sources</b>	<b>89,032</b>	<b>83,357</b>	<b>7,702</b>	<b>91,059</b>
<b>Total net resourcing for MDBA</b>	<b>179,643</b>	<b>186,084</b>	<b>11,181</b>	<b>197,265</b>
			<b>2017–18</b>	<b>2018–19</b>
<b>Average staffing level (number)</b>			288	288

(a) *Appropriation Act (No. 1) 2018–19* and *Appropriation Bill (No. 3) 2018–19*. Appropriation is provided through the Department of Agriculture and Water Resources and is specified within the Annual Appropriation Bills as a payment to the MDBA.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

### **1.3 ENTITY MEASURES**

Table 1.2 summarises new Government measures taken since the 2018–19 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

#### **Table 1.2: Murray-Darling Basin Authority – measures since 2018–19 Budget**

The Murray-Darling Basin Authority does not have any 2018–19 MYEFO measures.

## 1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail changes in resourcing for the Murray-Darling Basin Authority at Additional Estimates, by outcome. The tables show variations since the 2018–19 Budget due to new measures (as per Table 1.2) and variations due to other factors, such as movements of funds, reclassifications, reallocations and adjustments due to the efficiency dividend and changes in economic parameters.

**Table 1.3: Additional Estimates and other variations to outcomes since 2018–19 Budget**

Outcome 1 – Departmental	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
<b>Other Variations</b>				
Reallocation from Department of Agriculture and Water Resources – Sustainable Rural Water Use and Infrastructure Program	1.1	2,500	-	-
<b>Net impact on appropriations for Outcome 1 (departmental)</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on a Government Finance Statistics (fiscal) basis

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table shows Additional Estimates sought for the Department of Agriculture and Water Resources through Appropriation Bills (No. 3) and (No. 4) 2018–19.

**Table 1.4: Appropriation Bill (No. 3) 2018–19**

	2017–18 Available \$'000	2018–19 Budget \$'000	2018–19 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>DEPARTMENT OF AGRICULTURE AND WATER RESOURCES</b>					
<b>MURRAY-DARLING BASIN AUTHORITY</b>					
<b>Departmental programs</b>					
<b>Outcome 1</b>					
Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.	78,910	91,700	94,200	2,500	-
<b>Total</b>	<b>78,910</b>	<b>91,700</b>	<b>94,200</b>	<b>2,500</b>	<b>-</b>
<b>Total additional Departmental Bill No. 3</b>				<b>2,500</b>	

## Section 2: Revisions to outcomes and planned performance

### **2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES**

There have been no changes to the Murray-Darling Basin Authority's outcome and program structure since the 2018-19 Portfolio Budget Statements.

### **2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1**

#### **Linked programs**

There have been no changes to linked programs for Outcome 1 since the 2018-19 Portfolio Budget Statements.

#### **Performance criteria**

There have been no changes to performance criteria for Outcome 1 since the 2018-19 Portfolio Budget Statements.

#### **Budgeted expenses**

Table 2.2.1 (below) shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.



**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.</b>					
	2017–18 Actual expenses \$'000	2018–19 Revised estimated expenses \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
<b>Program 1.1: Murray-Darling Basin Authority</b>					
Revenue from Government					
Ordinary annual services (Appropriation Act (No. 1) and Bill (No. 3)) <sup>(a)</sup>	78,910	94,200	63,276	33,807	34,369
Payment from related entities	11,701	12,006	11,518	13,406	12,262
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	(16,266)	8,000	8,000	8,000	21,565
Revenues from other independent sources <sup>(c)</sup>	89,034	91,137	89,667	93,727	92,423
<b>Total expenses for program 1.1</b>	<b>163,379</b>	<b>205,343</b>	<b>172,461</b>	<b>148,940</b>	<b>160,619</b>
<b>Outcome 1 Totals by resource type</b>					
Revenue from Government					
Ordinary annual services (Appropriation Act (No. 1) and Bill (No. 3)) <sup>(a)</sup>	78,910	94,200	63,276	33,807	34,369
Payment from related entities	11,701	12,006	11,518	13,406	12,262
Expenses not requiring appropriation in the budget year	(16,266)	8,000	8,000	8,000	21,565
Revenues from other independent sources	89,034	91,137	89,667	93,727	92,423
<b>Total expenses for Outcome 1</b>	<b>163,379</b>	<b>205,343</b>	<b>172,461</b>	<b>148,940</b>	<b>160,619</b>
	<b>2017–18</b>	<b>2018–19</b>			
<b>Average staffing level (number)</b>	288	288			

(a) The MDBA is a corporate Commonwealth entity (CCE) under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through the Department of Agriculture and Water Resources to the MDBA.

(b) This represents excess of expenditure over revenue resulting in operating loss and funds are drawn from the MDBA special account.

(c) Revenues from other independent sources include contributions from jurisdictions for Agreement functions, other miscellaneous revenue and funds drawn from the Murray-Darling Basin special account. The Murray-Darling Basin special account is not a Special Account for the purpose of the PGPA Act.

## **Section 3: Special account flows and budgeted financial Statements**

### **3.1 SPECIAL ACCOUNT FLOWS**

The Murray-Darling Basin Authority does not have any Special Accounts.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

#### **3.2.1 Analysis of budgeted financial statements**

There has been no major change to the analysis of budgeted financial statements since the 2018-19 Portfolio Budget Statements.

### 3.2.2 Budgeted financial statements tables

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June.**

	2017–18 Actual \$'000	2018–19 Revised Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	36,636	39,109	39,870	38,162	39,266
Supplier	78,331	120,872	105,729	108,916	119,491
Grants <sup>(a)</sup>	46,220	43,500	25,000	-	-
Depreciation and amortisation	1,640	1,768	1,768	1,768	1,768
Finance costs	32	94	94	94	94
Write-down and impairment of assets	520	-	-	-	-
<b>Total expenses</b>	<b>163,379</b>	<b>205,343</b>	<b>172,461</b>	<b>148,940</b>	<b>160,619</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Grants <sup>(b)</sup>	94,063	97,357	94,669	99,786	98,885
Royalties	2,132	1,100	700	700	700
Interest	2,160	2,161	2,161	2,161	2,161
Other	2,378	2,447	3,577	4,408	2,861
<b>Total own-source revenue</b>	<b>100,733</b>	<b>103,065</b>	<b>101,107</b>	<b>107,055</b>	<b>104,607</b>
<b>Gains</b>					
Other	(97)	78	78	78	78
<b>Total gains</b>	<b>(97)</b>	<b>78</b>	<b>78</b>	<b>78</b>	<b>78</b>
<b>Total own-source income</b>	<b>100,636</b>	<b>103,143</b>	<b>101,185</b>	<b>107,133</b>	<b>104,685</b>
<b>Net cost of (contribution by) services</b>	<b>(62,743)</b>	<b>(102,200)</b>	<b>(71,276)</b>	<b>(41,807)</b>	<b>(55,934)</b>
Revenue from Government	78,910	94,200	63,276	33,807	34,369
<b>Total revenue from Government</b>	<b>78,910</b>	<b>94,200</b>	<b>63,276</b>	<b>33,807</b>	<b>34,369</b>
<b>Surplus/(deficit) attributable to the Australian Government<sup>(c)</sup></b>	<b>16,167</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(21,565)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	2	-	-	-	-
<b>Total other comprehensive income</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive income</b>	<b>16,169</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(21,565)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government<sup>(c)</sup></b>	<b>16,169</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(21,565)</b>

(a) This represents payment to South Australia as part of \$155.0 million funding over seven years for the South Australian Riverland Floodplain Integrated Infrastructure Project (SARFIIP), which commenced in 2013–14.

(b) For 2018–19 and the forward years this amount is an estimate pending The Ministerial Council's decision.

(c) The MDBA's operating loss is the result of recommended accounting treatment for the special appropriation of \$441.5 million recognised as revenue during transition from the Murray-Darling Basin Commission to the MDBA in 2008–09.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2017–18 Actual \$'000	2018–19 Revised Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	97,950	89,950	81,950	73,950	52,385
Trade and other receivables	3,421	3,423	3,423	3,423	3,423
<b>Total financial assets</b>	<b>101,371</b>	<b>93,373</b>	<b>85,373</b>	<b>77,373</b>	<b>55,808</b>
<b>Non-financial assets</b>					
Land and Buildings	4,947	4,945	4,945	4,945	4,945
Property, plant and equipment	1,856	1,696	1,696	1,696	1,696
Intangibles	923	924	924	924	924
Others	581	742	742	742	742
<b>Total non-financial assets</b>	<b>8,307</b>	<b>8,307</b>	<b>8,307</b>	<b>8,307</b>	<b>8,307</b>
<b>Total assets</b>	<b>109,678</b>	<b>101,680</b>	<b>93,680</b>	<b>85,680</b>	<b>64,115</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	12,859	13,681	14,065	14,449	14,833
Other payables	5,856	5,102	4,682	4,262	3,842
<b>Total payables</b>	<b>18,715</b>	<b>18,783</b>	<b>18,747</b>	<b>18,711</b>	<b>18,675</b>
<b>Provisions</b>					
Employee provisions	10,335	10,231	10,231	10,231	10,231
Other provisions	1,240	1,276	1,312	1,348	1,384
<b>Total provisions</b>	<b>11,575</b>	<b>11,507</b>	<b>11,543</b>	<b>11,579</b>	<b>11,615</b>
<b>Total liabilities</b>	<b>30,290</b>	<b>30,290</b>	<b>30,290</b>	<b>30,290</b>	<b>30,290</b>
<b>Net assets</b>	<b>79,388</b>	<b>71,390</b>	<b>63,390</b>	<b>55,390</b>	<b>33,825</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	(11,199)	(11,199)	(11,199)	(11,199)	(11,199)
Reserves	2	2	2	2	2
Retained surplus (accumulated deficit)	90,585	82,587	74,587	66,587	45,022
<b>Total Equity</b>	<b>79,388</b>	<b>71,390</b>	<b>63,390</b>	<b>55,390</b>	<b>33,825</b>

\*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2018–19)**

	Retained earnings	Contribution equity/capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2018</b>			
Balance carried forward from previous period	90,587	(11,199)	79,388
<b>Adjusted opening balance</b>	<b>90,587</b>	<b>(11,199)</b>	<b>79,388</b>
<b>Comprehensive income</b>			
Surplus (deficit) for the period	(8,000)	-	(8,000)
<b>Total comprehensive income</b>	<b>(8,000)</b>	<b>-</b>	<b>(8,000)</b>
<b>Estimated closing balance as at 30 June 2019</b>	<b>82,587</b>	<b>(11,199)</b>	<b>71,388</b>
<b>Closing balance attributable to the Australian Government</b>	<b>82,587</b>	<b>(11,199)</b>	<b>71,388</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2017–18 Actual \$'000	2018–19 Revised Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Receipts from Government	78,910	94,200	63,276	33,807	34,369
Sale of goods and rendering of services	466	238	238	238	238
Grants cash received	94,063	97,357	94,669	99,786	98,885
Interest received	1,798	2,161	2,161	2,161	2,161
Net GST received	8,386	12,083	10,569	10,887	11,945
Other	5,129	3,309	4,039	4,870	3,323
<b>Total cash received</b>	<b>188,752</b>	<b>209,348</b>	<b>174,952</b>	<b>151,749</b>	<b>150,921</b>
<b>Cash used</b>					
Employees	36,241	39,109	39,870	38,162	39,266
Suppliers	88,709	132,913	116,256	119,761	131,394
Grants	47,180	43,500	25,000	-	-
<b>Total cash used</b>	<b>172,130</b>	<b>215,522</b>	<b>181,126</b>	<b>157,923</b>	<b>170,660</b>
<b>Net cash from (used by) operating activities</b>	<b>16,622</b>	<b>(6,174)</b>	<b>(6,174)</b>	<b>(6,174)</b>	<b>(19,739)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales	20	-	-	-	-
<b>Total cash received</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	402	1,826	1,826	1,826	1,826
Purchase of intangible assets	245	-	-	-	-
<b>Total cash used</b>	<b>647</b>	<b>1,826</b>	<b>1,826</b>	<b>1,826</b>	<b>1,826</b>
<b>Net cash from (used by) investing activities</b>	<b>(627)</b>	<b>(1,826)</b>	<b>(1,826)</b>	<b>(1,826)</b>	<b>(1,826)</b>
<b>Net increase (decrease) in cash held</b>	<b>15,995</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(21,565)</b>
Cash and cash equivalents at the beginning of the reporting period	81,955	97,950	89,950	81,950	73,950
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>97,950</b>	<b>89,950</b>	<b>81,950</b>	<b>73,950</b>	<b>52,385</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2017–18 Actual \$'000	2018–19 Revised Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	647	1,768	1,768	1,768	1,768
<b>TOTAL</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	647	1,768	1,768	1,768	1,768
<b>Total cash used to acquire assets</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>	<b>1,768</b>

(a) The MDBA does not have a Departmental Capital Budget.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

**Table 3.6: Statement of asset movements (Budget year 2018–19)**

	Land and Buildings equipment \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2018</b>				
Gross book value	5,082	1,764	8,214	15,060
Accumulated depreciation/amortisation and impairment	(137)	(68)	(7,290)	(7,495)
<b>Opening net book balance</b>	<b>4,945</b>	<b>1,696</b>	<b>924</b>	<b>7,565</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or</b>				
By purchase – other <sup>(a)</sup>	526	481	761	1,768
<b>Total additions</b>	<b>526</b>	<b>481</b>	<b>761</b>	<b>1,768</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(526)	(481)	(761)	(1,768)
<b>Total other movements</b>	<b>(526)</b>	<b>(481)</b>	<b>(761)</b>	<b>(1,768)</b>
<b>As at 30 June 2019</b>				
Gross book value	5,608	2,245	8,975	16,828
Accumulated depreciation/amortisation and impairment	(663)	(549)	(8,051)	(9,263)
<b>Closing net book balance</b>	<b>4,945</b>	<b>1,696</b>	<b>924</b>	<b>7,565</b>

(a) Purchase of 'Other property, plant and equipment' and internally developed software (intangibles) are funded internally from departmental resources.

Prepared on Australian Accounting Standards basis.

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

The schedule of budgeted income and expenses administered on behalf of Government does not apply to the MDBA.

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

The schedule of budgeted assets and liabilities administered on behalf of Government does not apply to the MDBA.

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

The schedule of budgeted administered cash flows on behalf of Government does not apply to the MDBA.