

**AUSTRALIAN AGENCY FOR INTERNATIONAL
DEVELOPMENT**

(AusAID)

AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

AusAID has a single outcome: *Australia's national interest advanced by assistance to developing countries to reduce poverty and achieve sustainable development*. Two departmental outputs contribute to this outcome: programme management and policy.

AusAID provides policy advice to and manages development programmes for the Government aimed at reducing poverty and achieving sustainable development, especially in the Asia Pacific region. Development in the region advances Australia's national interest by promoting growth, peace and stability, and expanding trade and investment opportunities for Australia.

Australia's development assistance also addresses international challenges such as HIV/AIDS, environmental issues and debt relief, while enabling the Government to respond promptly to humanitarian and emergency needs. AusAID involves the Australian community in the delivery of aid activities, including through NGOs and support for the role of volunteers.

APPROPRIATIONS

The total appropriation for the Agency in the 2001-02 Budget is \$1,589.366 million¹.

Table 1.1 shows the total appropriations for AusAID for 2001-02 by the one outcome, by administered expenses, price of output appropriation and, where appropriate, special appropriations, administered capital and departmental equity injections.

¹ This amount relates to Appropriation Bill No. 1 (Departmental and Administered). In addition to this are Administered Capital Injection and Special Appropriation cash draw-downs, without corresponding expenses totaling \$259.8 million (see table 1.1).

Part C: Agency Budget Statements — AusAID

Australian Agency for International Development — Appropriations 2001-02

Table 1.1: Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (appropriations)		Revenue from other sources ⁽¹⁾	Price of outputs ⁽²⁾	Annual appropriations (\$'000)	Special approps ⁽³⁾	Total administered appropriations	Total appropriations		
	Bill No. 1 (A)	Special approps ⁽³⁾ (B)	Total (C = A+B) (C1) ⁽⁴⁾	(D)		(E = C+D) (E1) ⁽⁴⁾	Bill No. 1 (F)	Bill No. 2 (SPPs & NAOs) (G)	(H)	(I = F+G+H) (I1) ⁽⁴⁾
Outcome 1										
Australia's national interest advanced by assistance to developing countries to reduce poverty and achieve sustainable development	67,388	0	67,388	1,076	68,464	1,521,978	0	0	1,521,978	1,589,366
			98.4%							
Total	67,388	0	67,388 (K1)	1,076	68,464	1,521,978	0	0	1,521,978 (K2)	1,589,366
						Departmental capital (equity injections and loans)			(K3)	0
						Administered Capital Injection (cash) ⁽³⁾		(K4)		232,580
						Administered Special Appropriation (cash) ⁽³⁾				27,264

1. Revenue from other sources includes other revenue from government (e.g. resources free of charge) and revenue from other sources (e.g. sales of goods and services, interest earned on bank accounts). Non-appropriated departmental and administered revenues are detailed in Appendix 1.
 2. Refer to Budgeted Departmental Statement of Financial Performance (table 3.1) for application of AusAID revenue.
 3. Administered Capital Injection and Special Appropriation pertaining to the aid programme relate to expenses incurred prior to the introduction of accrual budgeting. Estimated cash required for the Capital Injection is shown in table 3.9, and for the Special Appropriation in Appendix 2.
 4. Note: C1, E1 and I1 refer to information provided in Table 2.1.1. Amounts at K1 and K2 refer to Budgeted Statement of Financial Performance, and amounts at K3 and K4 refer to Capital Budget.
- * Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

BUDGET MEASURES — AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT SUMMARY

Table 1.2: Summary of Measures disclosed in the 2001-02 Budget

Measure	Outcome	Output groups affected	Appropriations budget			Appropriations estimate			Appropriations estimate			Appropriations estimate		
			2001-02 (\$'000)			2002-03 (\$'000)			2003-04 (\$'000)			2004-05 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Commitment to Polio Eradication	1	nil	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	

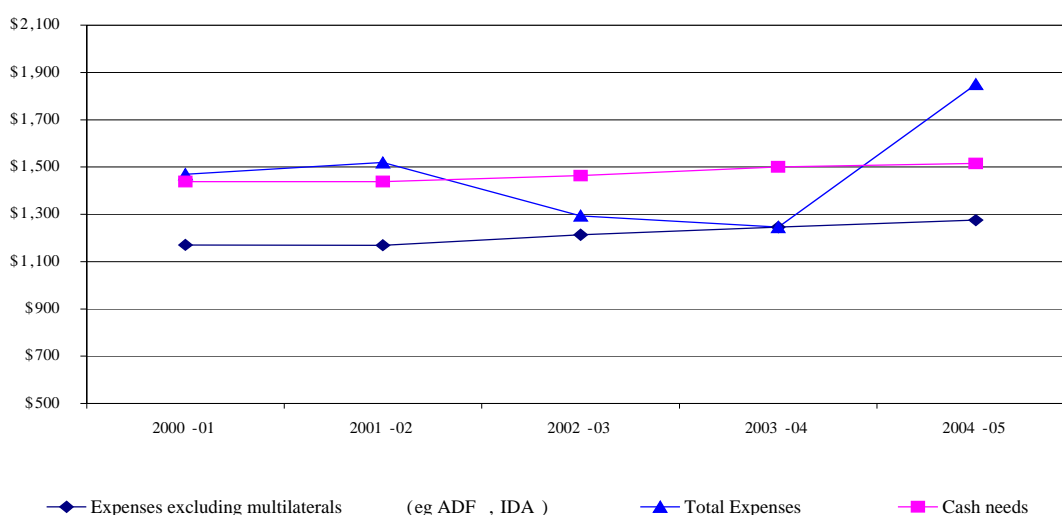
ADMINISTERED CAPITAL, DEPARTMENTAL EQUITY INJECTIONS AND LOANS

In 2001-02 the aid budget will have a negative equity position for administered items, due to multiyear commitments entered into in previous years. These commitments relate to agreements to fund multilateral development institutions, such as the International Development Association (the soft loan arm of the World Bank) and the Asian Development Fund (administered by the Asian Development Bank). Agreements with these institutions are a significant part of the Australian aid programme contributing to Outcome 1.

AusAID will receive an administered capital injection of \$232.6m and a Special Appropriation cash injection of \$27.3m to extinguish the multiyear liabilities that were in existence prior to the change to accrual budgeting, as indicated in Table 1.1 (K4) and Appendix 2. Multiyear commitments entered into after the change to accrual budgeting are funded through Appropriation Bill No. 1.

Under current accounting treatment, agreements to fund these institutions are recorded as an expense (and liability) in the year the agreement is entered into, not when the cash payments fall due, which can be spread over a period of up to ten years. This means that in any given year the relationship between AusAID's cash needs, which are predicted to remain steady, and its expenses appropriation can vary considerably. This is shown in the following chart:

Chart 1 Estimated expense and cash needs for administered items in the aid programme (\$'000)



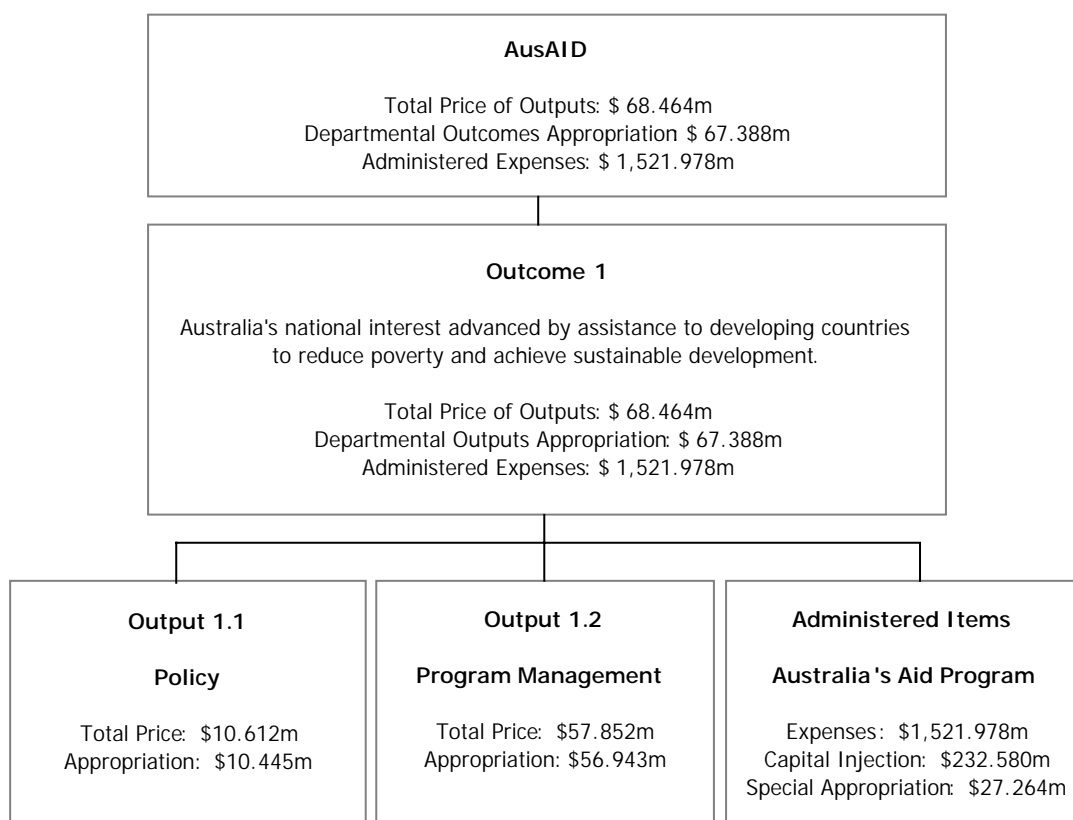
AusAID will not receive a departmental equity injection or loan in 2001-02.

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

The map below shows the relationship between AusAID's outcome and the contributing outputs for AusAID, presented here as output groups.

Financial details for Outcome 1 by outputs and output groups appear in Table 2.1.1 ("Total Resources for Outcome 1") while non-financial performance information for Outcome 1 appears in Table 2.2.1.



Note: Revenue from Government (Appropriations) contributes 98.4% to the Total Price of Outputs for Outcome 1 for 2001-02

CHANGES TO OUTCOMES AND OUTPUTS

There are no changes to outcomes or outputs from the previous year.

OUTCOME 1 — DESCRIPTION

Outcome 1 – Australia’s national interest advanced by assistance to developing countries to reduce poverty and achieve sustainable development

Promotion of sustainable development and poverty reduction in developing countries, particularly in the Asia Pacific region, is a key objective of Government. The core business of AusAID is to manage programmes that assist developing countries to reduce poverty and achieve sustainable development. The Agency also provides policy advice and analysis to the Government across all aspects of international development policy.

Measures affecting Outcome 1

COMMITMENT TO POLIO ERADICATION

Budget Measure Purpose: To provide funding for Australia’s commitment to the global eradication of polio.

Impact of Measure: The Government will fund a commitment to Rotary International under its programme to eradicate polio from the world by 2005. This programme operates in partnership with the World Health Organisation, UNICEF and the US Center for Disease Control.

The Government will match corporate and philanthropic contributions dollar for dollar up to a total commitment of \$10 million over the period between 2001 and 2005.

Financial Implications: The financial implications of this budget measure are detailed in Table 1.2.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2001-02 appropriations translate to total resourcing for Outcome 1, including Administered Expenses, Revenue from Government (Appropriations), Revenue from other sources, and the Total Price of Outputs. References **C1**, **E1** and **I1** show the links back to Table 1.1, the Appropriations Table.

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
Administered appropriations		
Country and regional programs	917,842	931,612
Multilateral, community and humanitarian relief programs	551,864	590,366
Total administered appropriations (I1)	1,469,706	1,521,978
Departmental appropriations		
Output Group 1.1 Policy	10,356	10,445
Subtotal output group 1.1	10,356	10,445
Departmental appropriations		
Output Group 1.2 Program Management	56,457	56,943
Subtotal output group 1.2	56,457	56,943
Total revenue from government (appropriations) (C1)	66,813	67,388
Contributing to price of departmental outputs	98.3%	98.4%
Revenue from other sources		
Resources received free of charge	173	95
Sale of assets	730	730
Interest	251	251
Total revenue from other sources	1,154	1,076
Total price of departmental outputs (Total revenue from Government and from other sources)	(E1) 67,967	68,464
Total estimated resourcing for outcome 1 (Total price of outputs and admin expenses)	1,537,673	1,590,442
Administered Capital Injection (cash)	211,522	232,580
Special Appropriations (cash)	34,056	27,264
	2000-01	2001-02
Average staffing level (number)	557	550

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

AusAID's outputs of policy and programme management reflect the Government's decision to provide effective assistance in partnership with developing countries to reduce poverty and achieve sustainable development. AusAID manages, monitors and provides advice on the types of programmes that are implemented and the impact these programmes have on development.

Justification for the choice of the outputs to achieve Outcome 1 is described in Table 2.2.1 below. This table provides information on the strategies chosen to deliver Outcome 1, and shows the links between outputs and the outcome.

Table 2.2.1 Performance information for Outcome 1

Effectiveness - Overall achievement of the outcome - (Measures, indicators and targets used as appropriate)	
<p>AusAID's administered expenses will be allocated to activities aimed at reducing poverty and achieving sustainable development. Ten key result areas are used to plan, prioritise and measure the performance of our programs:</p> <ul style="list-style-type: none"> - Build Effective Partnerships - Deliver Australia's Aid Program with Excellence - Promote Effective Governance - Improve Access to and Quality of Education - Improve Health - Improve Agriculture and Rural Development - Provide Essential Infrastructure - Deliver Humanitarian and Emergency Assistance - Maximise Environmental Sustainability - Promote Gender Equity 	
<p>Quality: 75% of activities receiving a quality rating of satisfactory overall or higher Quantity: significant activity outputs in key result areas</p>	
Performance information for administered items (including third party outputs)	
Country and Regional Programs	<p>Quality: 75% of activities in the key result areas receive a quality rating of satisfactory or higher Quantity: significant activity outputs in key result areas</p>
Multilateral Organisation Programs	<p>Quality: 75% of organisations receive a rating of satisfactory overall or higher in terms of efficiency, effectiveness and relevance to Australian Government priorities Quantity: significant activity outputs in key result areas</p>

Table 2.2.1 Performance information for Outcome 1 continued

Emergency and Humanitarian Programs	<p>Quality: 75% of humanitarian and emergency activities receive a quality rating of satisfactory overall or higher</p> <p>Quantity: significant activity outputs in key result areas</p>
NGO and Volunteer Programs	<p>Quality: 75% of activities in the key result areas receive a quality rating of satisfactory overall or higher</p> <p>Quantity: significant activity outputs in key result areas</p>
Information, Education and Communication Programs	<p>Quality: effective programs which ensure the aid program remains identifiably Australian, supports the government's communications on aid with the Parliament and community and enhances community understanding of the aid program.</p> <p>Quantity: - significant activity outputs in key result areas - number of teacher participating in development education training - number of curriculum documents purchased by target groups - average monthly number of hits on the internet sites</p>
Performance information for departmental outputs	
Output group 1.1 Policy	
Output 1.1	<p>Quality: Ministerial/Parliamentary Secretary satisfaction</p> <p>Quantity: number of submissions, briefs, questions on notice, PPQs, submissions to Parliamentary Committees, correspondence, press releases, speeches</p> <p>Price: \$10.612m</p>
Output group 1.2 Program Management	
Output 1.2	<p>Quality: all major programs carried out in partnership with key stakeholders</p> <p>Quality: continuous improvement of tools and processes to ensure management of a high quality program that reflects Government priorities</p> <p>Quality: feedback on quality of tender information; number of contracts terminated or subject to litigation or serious disputation</p> <p>Quantity: number of programs, number of activities, number of new contracts signed and ongoing contracts managed</p> <p>Price: \$57.852m</p>

Table 2.2.1, above, lists the performance information that AusAID will use to assess the level of its contribution to the achievement of Outcome 1 during 2001-02. It will also measure the efficiency of outputs in contributing to Outcome 1, including targets for performance as applicable and appropriate. Achievement of planned performance will be reported in AusAID's Annual Report.

Evaluations

Evaluation studies undertaken by AusAID in 2001-02 will contribute to the goal of improving the quality of the Australian aid programme. The studies will include analysis of performance and impact both during implementation and ex-post. The evaluation programme addresses three key objectives:

- To assess the impact and improve the quality of the aid programme;
- To provide better feedback of lessons learned; and
- To strengthen activity management procedures.

It is proposed that activities in 2001-02 focus in three main areas. These are set out below with examples of the types of evaluations to be undertaken.

Thematic evaluations

- Participation and ownership by partner governments and beneficiaries;
- Governance and capacity building activities; and
- Australian co-financing with multilateral development banks.

Sector and programme evaluations

- Tibet Primary Health Care Project;
- Non Government Organisation project quality;
- Quality at entry of bilateral and regional activities; and
- South Pacific Commission.

Systems and quality procedures

- Ongoing additions and revisions to the project management guidelines, AusGUIDE; and
- Strategy and guidelines for strengthening programme and activity quality.

Competitive tendering and contracting

Delivery of the aid programme is entirely outsourced. AusAID's role is to provide policy advice to Government on development issues and manage the programmes implemented by contractors, non-government organisations and international and regional organisations. AusAID manages on average over 1,600 contracts each year on behalf of the Commonwealth.

Since the Government's competitive tendering and contracting initiative, AusAID has implemented qualitative improvements in our contracting procedures. This is being achieved through an emphasis on quality on entry, improvements in contractor selection procedures, improvements in project and programme effectiveness, and ensuring flexible programme approaches. All of these measures are directed at ensuring the best value for money, a greater emphasis on quality and overall improved outcomes for the aid programme.

AusAID will market test a range of its corporate services in 2001-02.

Section 3: Budgeted Financial Statements

Budgeted departmental and administered financial statements for AusAID are presented in this section. These statements will form the basis of the financial statements that will appear in AusAID's 2001-02 Annual Report, and form the basis for the input into the Whole-of-Government Accounts.

Budgeted Statement of Financial Performance

This statement provides a picture of the expected financial results for the Agency by identifying full accrual expenses and revenues, which highlights whether the Agency is operating at a sustainable level in the short term.

Budgeted Statement of Financial Position

This statement shows the financial position of the Agency. It enables decision-makers to track the management of the Agency's assets and liabilities.

Budgeted Statement of Cash Flows

This statement shows budgeted cash flows, as reflected in the statement of cash flows, providing important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Capital Budget Statement

This shows all planned capital expenditure on non-financial assets funded either through capital appropriation for additional equity or borrowings, or from funds from internal sources.

Departmental Non-financial Assets – Summary of Movement

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

**Table 3.1: Budgeted Departmental Statement of Financial Performance
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
Revenues from ordinary activities					
Revenue from government	66,813	67,388	66,618	67,973	67,972
Sales of goods and services	730	730	730	730	730
Interest	251	251	251	251	251
Dividends					
Net gains from sales of assets					
Other	173	95	97	99	101
Total revenues from ordinary activities	67,967	68,464	67,696	69,053	69,054
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	41,375	41,677	41,211	42,036	42,037
Suppliers	23,479	23,467	24,155	24,584	24,511
Grants					
Depreciation and amortisation	3,113	3,320	2,330	2,433	2,506
Write down of assets					
Net losses from sales of assets					
Other					
Total expenses from ordinary activities (excluding borrowing costs expense)	67,967	68,464	67,696	69,053	69,054
Borrowing cost expense					
Net surplus or deficit from ordinary activities	0	0	0	0	0
Gain or loss on extraordinary items					
Net surplus or deficit	0	0	0	0	0
Capital use charge					
Net surplus or deficit after capital use charge	0	0	0	0	0

Part C: Agency Budget Statements — AusAID

**Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
ASSETS					
Financial assets					
Cash	5,274	5,400	4,801	4,763	5,398
Receivables	320	318	328	335	334
Investments					
Accrued revenues					
Other					
Total financial assets	5,594	5,718	5,129	5,098	5,732
Non-financial assets					
Land and buildings					
Infrastructure, plant and equipment	5,324	4,165	3,679	3,344	2,608
Inventories					
Intangibles	1,811	2,785	4,026	4,388	4,478
Other	865	865	865	865	865
Total non-financial assets	8,000	7,815	8,570	8,597	7,951
Total assets	13,594	13,533	13,699	13,695	13,683
LIABILITIES					
Debt					
Loans					
Leases					
Deposits					
Overdrafts					
Other					
Total debt	0	0	0	0	0
Provisions and payables					
Employees	13,349	13,394	13,540	13,519	13,498
Suppliers	1,020	916	926	936	946
Grants					
Other	267	265	275	282	281
Total provisions and payables	14,636	14,575	14,741	14,737	14,725
Total liabilities	14,636	14,575	14,741	14,737	14,725
EQUITY					
Capital	3,628	3,628	3,628	3,628	3,628
Reserves	1,785	1,785	1,785	1,785	1,785
Accumulated surpluses or deficits	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)
Total equity	(1,042)	(1,042)	(1,042)	(1,042)	(1,042)
Current liabilities	2,493	2,429	2,592	2,585	2,570
Non-current liabilities	12,143	12,146	12,149	12,152	12,155
Current assets	6,459	6,583	5,994	5,963	6,597
Non-current assets	7,135	6,950	7,705	7,732	7,086

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	66,813	67,388	66,618	67,973	67,972
Sales of goods and services	730	730	730	730	730
Interest	251	251	251	251	251
GST input credits	1,336	1,593	1,641	1,686	1,687
Other	1,603	1,591	1,650	1,693	1,686
Total cash received	70,733	71,553	70,890	72,333	72,326
Cash used					
Employees	40,995	41,632	41,064	42,057	42,057
Suppliers	23,333	23,476	24,049	24,475	24,401
Grants					
Interest					
GST paid to suppliers	1,603	1,591	1,650	1,693	1,686
Other	1,336	1,593	1,641	1,686	1,687
Total cash used	67,267	68,293	68,404	69,911	69,831
Net cash from operating activities	3,466	3,260	2,486	2,422	2,495
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	0	0	0	0	0
Repayments of loans made	0	0	0	0	0
Other	0	0	0	0	0
Total cash received	0	0	0	0	0
Cash used					
Purchase of property, plant and equipment	1,222	3,135	3,085	2,460	1,860
Loans made					
Other					
Total cash used	1,222	3,135	3,085	2,460	1,860
Net cash from investing activities	(1,222)	(3,135)	(3,085)	(2,460)	(1,860)
FINANCIAL ACTIVITIES					
Cash received					
Proceeds from issuing equity instruments					
Proceeds from debt					
Other					
Total cash received	0	0	0	0	0

Part C: Agency Budget Statements — AusAID

Table 3.3: Budgeted Departmental Statement of Cash Flows (continued)
for the period ended 30 June

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2003-04 \$'000
Cash used					
Repayments of debt					
Capital use and dividends paid					
Other					
Total cash used	0	0	0	0	0
Net cash from financing activities	0	0	0	0	0
Net increase in cash held	2,244	125	(599)	(38)	635
Cash at the beginning of the reporting period	3,030	5,274	5,399	4,801	4,763
Cash at the end of the reporting period	5,274	5,399	4,801	4,763	5,398

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections		0 ¹			
Total loans		0 ¹			
Represented by:					
Purchase of non-current assets					
Other					
Total					
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations					
Funded internally by					
Departmental resources	1,222	3,135	3,085	2,460	1,860

¹ links to (K3) in Table 1.1.

Part C: Agency Budget Statements — AusAID

**Table 3.5: Departmental Non-financial Assets — Summary of Movement
(Budget Year 2001-02)**

	Other Infrastructure Plant and Equipment \$'000	Intangibles \$'000	Total \$'000
GROSS VALUE			
<i>As at 1 July 2001 (opening)</i>	11,185	5,754	16,939
Additions	630	2,505	3,135
Disposals	(387)	(191)	(578)
Other movements	0	0	0
<i>As at 30 June 2002 (closing)</i>	11,428	8,068	19,496
ACCUMULATED DEPRECIATION			
<i>As at 1 July 2001 (opening)</i>	5,861	3,943	9,804
Disposals	(387)	(191)	(578)
Charge for the reporting period	1,789	1,531	3,320
Other movements	0	0	0
<i>As at 30 June 2002 (closing)</i>	7,263	5,283	12,546
Net book value			
As at 30 June 2002 (closing book value)	4,165	2,785	6,950
Net book value			
as at 1 July 2001 opening book value)	5,324	1,811	7,135
TOTAL ADDITIONS			
Self funded			
Appropriations	630	2,505	3,135
Total	630	2,505	3,135

**Table 3.6: Note of Budgeted Administered Financial Performance
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
REVENUES					
Taxation					
Income tax					
Indirect tax					
Other taxes, fees and fines					
Total taxation					
Non-taxation					
Other sources of non-taxation revenues	4,254	4,213	3,856	3,905	4,108
Annual Appropriation	1,469,706	1,521,978	1,296,508	1,248,593	1,852,677
Special Appropriation	0	0	0	0	0
Total non-taxation	1,473,960	1,526,191	1,300,364	1,252,498	1,856,785
Total revenues administered on behalf of the Government	1,473,960	1,526,191	1,300,364	1,252,498	1,856,785
EXPENSES					
Subsidies					
Personal benefits					
Grants	420,068	452,675	186,764	98,376	675,735
Aid Program	1,055,626	1,068,556	1,108,922	1,149,285	1,176,013
Depreciation and amortisation	648	747	822	932	929
Other					
Total expenses administered on behalf of the Government	1,476,342	1,521,978	1,296,508	1,248,593	1,852,677
Extraordinary items					
Net Result	(2,382)	4,213	3,856	3,905	4,108
Transfers to the Official Public Account	4,254	4,213	3,856	3,905	4,108
Net Surplus or Deficit	(6,636)	0	0	0	0

Part C: Agency Budget Statements — AusAID

**Table 3.7: Note of Budgeted Administered Financial Position
as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
ASSETS					
Financial assets					
Cash	39	39	39	39	39
Receivables	409,067	727,724	771,214	691,654	1,124,141
Investments					
Accrued revenues					
Other					
Total financial assets	409,106	727,763	771,253	691,693	1,124,180
Non-financial assets					
Land and buildings					
Infrastructure, plant and equipment	2,408	2,560	2,637	2,606	2,577
Other	55,309	55,309	55,309	55,309	55,309
Total non-financial assets	57,716	57,869	57,946	57,915	57,886
Total assets administered on behalf of the Government	466,822	785,632	829,199	749,608	1,182,066
LIABILITIES					
Debt					
Loans					
Leases					
Deposits					
Overdrafts					
Other					
Total debt	0	0	0	0	0
Provisions and payables					
Employees					
Suppliers	65,041	66,466	68,128	69,830	71,578
Grants	1,139,272	1,223,903	1,057,456	805,919	1,143,958
Other	17,594	17,768	18,439	19,110	19,554
Total provisions and payables	1,221,907	1,308,137	1,144,023	894,859	1,235,090
Total liabilities administered on behalf of the Government	1,221,907	1,308,137	1,144,023	894,859	1,235,090
EQUITY					
Capital Injections	417,661	650,241	857,922	1,027,495	1,119,722
Accumulated Results	(1,172,746)	(1,172,746)	(1,172,746)	(1,172,746)	(1,172,746)
Total equity	(755,085)	(522,505)	(314,824)	(145,251)	(53,024)
Current liabilities	248,478	265,369	247,047	251,537	236,960
Non-current liabilities	973,430	1,042,768	896,976	643,322	998,129
Current assets	464,414	783,072	826,562	747,002	1,179,490
Non-current assets	2,408	2,560	2,637	2,606	2,577

**Table 3.8: Note of Budgeted Administered Cash Flows
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
OPERATING ACTIVITIES					
Cash received					
Annual Appropriations	1,170,692	1,176,230	1,237,772	1,328,823	1,420,636
Special Appropriations	34,056	27,264	15,917	0	0
GST input credits	87,969	106,432	109,964	113,994	116,888
Other	109,816	110,819	114,492	118,571	121,440
Total cash received	1,402,533	1,420,745	1,478,145	1,561,388	1,658,964
Cash used					
Aid Program	1,011,982	1,030,206	1,057,626	1,096,707	1,122,121
Grants	403,388	404,967	402,845	400,788	389,842
Cash to Official Public Account	4,254	4,213	3,856	3,905	4,108
GST payments to suppliers	105,563	106,606	110,636	114,666	117,332
Other	87,969	106,433	109,964	113,995	116,888
Total cash used	1,613,155	1,652,425	1,684,927	1,730,061	1,750,291
Net cash from operating activities	(210,622)	(231,680)	(206,782)	(168,673)	(91,327)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment					
Cash from Official Public Account					
Other					
Total cash received	0	0	0	0	0
Cash used					
Purchase of property, plant and equipment	900	900	900	900	900
Cash to Official Public Account					
Other					
Total cash used	900	900	900	900	900
Net cash from investing activities	(900)	(900)	(900)	(900)	(900)

Part C: Agency Budget Statements — AusAID

**Table 3.8: Note of Budgeted Administered Cash Flows
for the period ended 30 June (continued)**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing					
Cash from Official Public Account					
Cash Received from Capital					
Injection	211,522	232,580	207,682	169,573	92,227
Other					
Total cash received	211,522	232,580	207,682	169,573	92,227
Cash used					
Repayments of debt					
Cash to Official Public Account					
Other					
Total cash used	0	0	0	0	0
Net cash from financing activities	211,522	232,580	207,682	169,573	92,227
Net increase in cash held					
Cash at beginning of reporting period	39	39	39	39	39
Administered cash at end of reporting period	39	39	39	39	39

Part C: Agency Budget Statements — AusAID

Table 3.9: Note of Administered Capital Budget

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
CAPITAL APPROPRIATIONS					
Administered capital	211,522	232,580 ¹	207,682	169,573	92,227
Represented by :					
Purchase of non-current assets					
Other	211,522	232,580	207,682	169,573	92,227
Total					
PURCHASE OF NON CURRENT ASSETS					
Funded by capital appropriations	0	0	0	0	0
Funded internally by existing Administered resources	900	900	900	900	900

1 Links to (K4) in Table 1.1.

Part C: Agency Budget Statements — AusAID

Table 3.10: Note of Administered Non-financial Assets — Summary of Movement (Budget Year 2001-02)

	Other Computers Plant and Equipment \$'000	Intangibles \$'000	Total \$'000
GROSS VALUE			
<i>As at 1 July 2001 (opening)</i>	4,430		4,430
Additions	900		900
Disposals	(498)		(498)
Other movements	0		0
<i>As at 30 June 2002 (closing)</i>	4,832		4,832
ACCUMULATED DEPRECIATION			
<i>As at 1 July 2001 (opening)</i>	2,022		2,022
Disposals	(498)		(498)
Charge for the reporting period	748		748
Other movements	0		0
<i>As at 30 June 2002 (closing)</i>	2,272		2,272
Net book value			
As at 30 June 2002	2,560		2,560
(closing book value)			
Net book value			
as at 1 July 2001	2,408		2,408
opening book value)			
TOTAL ADDITIONS			
Self funded	900		900
Appropriations			
Total	900		900

NOTES TO THE FINANCIAL STATEMENTS

Note 1

Explanation of movements in administered expenses and cash

Current accounting treatments require AusAID to record the entire level of funding under multiyear agreements as an expense in the financial year the agreements are entered into. As shown in Table 2.1.1, administered expenses in 2001-02 are higher than 2000-01. This relates to the new agreement that will be entered into in 2001-02 to replenish funding to the International Development Association (IDA). On current estimates, this agreement accounts for approximately \$350 million (to be revised once the relevant Instrument of Commitment is signed). The agreements to be entered into in 2000-01 are for the seventh replenishment of the Asian Development Fund (\$291.1m) and the fourth replenishment of the International Fund for Agricultural Development (\$7.9m) totaling \$299m.

Attached are three explanatory tables that detail:

- the relationship between AusAID's expense estimates and Australia's Official Development Assistance (ODA);
- the relationship between cash spent by AusAID and total ODA; and
- the reconciliation of AusAID's expense estimates and cash spends.

Note 2

Explanation of required capital injections for administered items

Table 3.8 and Table 3.9 show significant capital needs for AusAID's administered items. These relate to the need to extinguish multiyear liabilities incurred prior to the transition to accrual budgeting. Specifically, these are agreements relating to Australia's contributions to:

- Asian Development Fund;
- International Development Association;
- International Fund for Agricultural Development;
- Global Environment Fund; and
- the Nauru Settlement Treaty.

Explanatory Table 1 – Reconciliation of AusAID expenses to total ODA

	2000-01 \$(000)	2001-02 \$(000)
<i>Total AusAID expenses:</i>		
AusAID departmental expenses	67,967	68,464
AusAID administered expenses	1,469,706	1,521,978
<i>minus expenses with no cash required in year of expense:</i>		
New multiyear liabilities ¹	(298,936)	(350,000)
Other accrual adjustments ²	(5,395)	(1,493)
<i>plus cash for GST</i>		
GST - cash items with no corresponding expense	196,470	216,222
<i>plus cash for expense in a different year:</i>		
Payments to existing multiyear liabilities ³	248,478	265,369
<i>Total AusAID cash</i>	<i>1,678,289</i>	<i>1,720,538</i>
<i>minus AusAID ODA adjustments:</i> ⁴		
AusAID non-ODA departmental expenditure	(3,305)	(2,831)
AusAID departmental carryover adjustment		
AusAID non-ODA administered expenditure	(1,939)	(2,755)
Offsetting receipts from previous years' expenditure	(4,254)	(4,213)
GST repaid to DoFA	(89,304)	(108,025)
GST paid to suppliers	(107,165)	(108,197)
<i>plus non-AusAID ODA:</i>		
ACIAR	43,688	44,314
Other Government Departments	189,192	186,127
<i>Total Estimated ODA</i> ⁵	<i>1,705,201</i>	<i>1,724,959</i>

1. New multiyear liabilities for 2000-01 consist of replenishments for ADF8 \$291.1m and IFAD5 \$7.9m. The new multiyear liability for 2001-02 relates to IDA 13 for \$350.0m.
2. See Explanatory Table 3 for detail.
3. Cash payments for multiyear liabilities such as those mentioned in Note 1, occur in a later year to the expense being recorded. These cash payments may be funded from Capital injections, Special Appropriations or Bill 1.
4. See Explanatory Table 2 for detail.
5. Actual calculations of total ODA are not able to be determined until after the end of the financial year.

Explanatory Table 2 – Reconciliation of AusAID cash to total ODA

	2000-01	2001-02
	\$(000)	\$(000)
Total departmental cash used	68,489	71,428
Capital Use Charge	0	0
Receipts under Section 31 of the FMA Act	(730)	(730)
Interest	(251)	(251)
GST repaid to DoFA ¹	(1,336)	(1,593)
GST paid to suppliers ¹	(1,603)	(1,591)
Fringe Benefits Tax adjustment	(2,324)	(1,850)
Total ODA-eligible AusAID Departmental cash	62,245	65,412
Total administered cash used ²	1,609,801	1,649,111
Miscellaneous receipts ³	(4,254)	(4,213)
GST repaid to DoFA ¹	(87,969)	(106,432)
GST paid to suppliers ¹	(105,563)	(106,606)
AusAID non ODA eligible expenditure ⁴	(1,939)	(2,755)
Total ODA-eligible AusAID Administered cash	1,410,076	1,429,106
ACIAR	43,688	44,314
Other Government Departments	189,192	186,127
Non AusAID ODA	232,880	230,441
Total Estimated ODA⁵	1,705,201	1,724,959

1. GST cash is drawn down separately from appropriated cash in order to pay any GST component to suppliers. This amount is subsequently refunded from the ATO. The difference between 'GST repaid to DoFA' and 'GST paid to suppliers' in any given year equates to the ATO input tax credit receipts.
2. Excluding cash to the Official Public Account.
3. Refunds of expenditure that was recorded as ODA in a previous year. Miscellaneous receipts are offset against ODA in the year of receipt, not expenditure.
4. For example, only 75% of cash payments to the Global Environment Fund are eligible as ODA.
5. Actual calculations of total ODA can not be determined until after the end of the financial year.

Explanatory Table 3 – Reconciliation of AusAID expenses to cash

	2000-01 \$('000)	2001-02 \$('000)	2002-03 \$('000)	2003-04 \$('000)	2004-05 \$('000)
Price of Outputs	67,967	68,464	67,696	69,053	69,054
Operating loss	0	0	0	0	0
Departmental expenses	67,967	68,464	67,696	69,053	69,054
Depreciation and amortisation	(3,113)	(3,320)	(2,330)	(2,433)	(2,506)
Investment	1,222	3,135	3,085	2,460	1,860
Net change in employee liabilities	(434)	(45)	(146)	21	21
Net change in supplier liabilities	81	104	(10)	(10)	(10)
Resources supplied free of charge	(173)	(95)	(97)	(99)	(101)
GST repaid to DoFA	1,336	1,593	1,641	1,686	1,687
GST paid to suppliers	1,603	1,591	1,650	1,693	1,686
Departmental cash used	68,489	71,428	71,489	72,371	71,691
Administered expenses	1,476,342	1,521,978	1,296,508	1,248,593	1,852,677
Operating Loss	(6,636)	0	0	0	0
Administered expenses after operating loss	1,469,706	1,521,978	1,296,508	1,248,593	1,852,677
New multiyear liabilities	(298,936)	(350,000)	(75,400)	0	(575,000)
Cash spent on existing multiyear liabilities:					
<i>Annual Appropriation</i>	2,900	5,525	18,248	81,965	144,733
<i>Special Appropriation</i>	34,056	27,264	15,917	0	0
<i>Capital injection</i>	211,522	232,580	207,682	169,573	92,227
Depreciation	(648)	(747)	(822)	(932)	(929)
Investment	900	900	900	900	900
GST repaid to DoFA	87,969	106,432	109,964	113,994	116,888
GST paid to suppliers	105,563	106,606	110,636	114,666	117,332
Net change in ordinary creditors and accruals	(3,230)	(1,425)	(1,662)	(1,703)	(1,746)
Administered cash used (excluding payments to OPA)	1,609,801	1,649,111	1,681,971	1,727,055	1,747,083

Section 4: Purchaser/Provider

Cross agency overview

The Australian Agency for International Development (AusAID) purchases services from the Department of Foreign Affairs and Trade (DFAT):

- under the Common Administrative Services agreement (CAS) for overseas missions;
- for information technology infrastructure support;
- for telecommunications at overseas missions and for state offices; and
- for secure network services.

AusAID provides payroll services to the Australian Centre for International Agriculture Research (ACIAR).

Appendix 1

Non-Appropriation Departmental and Administered Revenue

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
Departmental		
Non-appropriated Departmental Revenue	1,154	1,076
Administered		
other non-taxation revenue	4,254	4,213
Total estimated revenue	5,408	5,289

1. Includes sale of goods and services, interest earned, and resources received free of charge.
2. Other non-taxation revenue refers to those funds returned from contractors and NGOs to AusAID, which were appropriated in former years and not used for the purpose for which they were provided.

Appendix 2

Estimates of Cash Received from Special Appropriations

	Estimated Cash Received 2000-01 \$'000	Estimated Cash Received 2001-02 \$'000
International Development Association (IDA)	34,056	27,264
Total estimated Cash Received	34,056	27,264

There are no new expenses associated with Special Appropriations from 1999-2000 onwards. Cash draw-downs previously appropriated through Special Appropriations will cease after 2002-03.

Part C: Agency Budget Statements — AusAID