

**AUSTRALIAN TRADE  
COMMISSION  
(Austrade)**



## **AUSTRALIAN TRADE COMMISSION**

### **Section 1: Overview, appropriations and budget measures summary**

#### **AGENCY OVERVIEW**

The Australian Trade Commission (Austrade) is the lead agency in Australia's efforts to double the number of exporters by 2006. As the Federal Government's principal trade and international business facilitation agency, operating as a statutory authority within the Foreign Affairs and Trade portfolio, Austrade's mandate is to help Australian businesses reduce the time, cost and risks involved in entering overseas markets and expanding commerce in these markets.

Austrade delivers:

- export and outward investment services and international business opportunities to Australians;
- financial assistance to eligible exporters under the Export Market Development Grants scheme;
- programmes designed to improve community awareness of and commitment to trade and investment;
- advice to the Federal Government and coordination of its export and international business facilitation activities; and
- consular, passport and immigration services in certain locations.

Austrade delivers these services through a global network of offices, with representatives overseas in 90 locations in 57 countries. In 2003-04 Austrade will operate 15 offices and a network of 51 TradeStart offices in partnership with public and private sector ally organisations across Australia. Through this network Austrade works with Australian businesses to identify and capture export opportunities.

In 2003-04, Austrade will build upon the gains of the previous year as it continues to lead the whole-of-government approach to doubling the number of exporters by 2006.

*Part C: Agency Budget Statements—Austrade*

Austrade's strategy comprises four strands:

**Grow existing exporters:** continue to help established exporters grow their export businesses and help ensure that they remain sustainable exporters;

**Develop new and irregular exporters:** help export-capable businesses that have never exported before or are relatively inexperienced exporters to become sustainable exporters;

**Deliver an industry and geography focus:** improve support for knowledge-based exporters—particularly in the biotechnology, information and communication technology (ICT) and services sectors—and for other key industries; and

**Build community awareness:** communicate the importance of trade to the Australian economy, and the benefits to businesses of exporting and internationalisation.

Details of Austrade's key objectives and strategies for 2003-04 can be found in Austrade's *Corporate Plan 2003-04 to 2005-06*.

## **APPROPRIATIONS AND RESOURCING**

The total appropriation for the Australian Trade Commission in the 2003-04 Budget is \$309.8 million (2002-03 \$318.9 million). The components of the decrease in Austrade's funding relate to an adjustment for previous foreign exchange transactions, inflation and parameter adjustments, foreign exchange rate movements to maintain purchasing power equivalent to 2002-03, funding for Austrade representation in an Australian office in Iraq, incremental funding for TradeStart program and CSS/PSS employer superannuation contributions, realignment of Austrade's overseas network and movement in accruals.

Table 1.1 provides a summary of the resources applied to each of Austrade's outcomes for 2003-04 for departmental and administered appropriations. Table 1.2 provides a summary of the measures disclosed in the 2003-04 Budget.

Section 1: Overview, appropriations and budget measures summary

Australian Trade Commission — appropriations 2003-04

Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs) (\$'000)					Administered (\$'000)				
	Revenue from Government (appropriations)		Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)	Special appropriations <sup>(5)</sup>	Total administered appropriations	Total appropriations		
	Bill No. 1 (A)	Special approps <sup>(5)</sup> (B)	Total (C = A+B) (C1) <sup>(1)</sup>	(D)	(E = C+D) (E1) <sup>(1)</sup>	Bill No. 1 (F)	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup> (G)	(H)	(I = F+G+H) (I1) <sup>(1)</sup>	(J=C+I)
<b>Outcome 1 - Australians succeeding in international business with widespread community support</b>	150,566	-	150,566	27,602	178,168	150,400		-	150,400	300,966
			84.5%							
<b>Outcome 2 - Australians informed about and provided access to consular, passport and immigration services in specific locations overseas</b>	8,138	-	8,138	-	8,138	-		-		8,138
			100.0%							
<b>Total</b>	<b>158,704</b>	-	158,704	27,602	186,306	150,400		-	150,400	309,104
									Departmental capital (equity injections and loans) (K3) <sup>(1)</sup>	697
									Administered capital (K4) <sup>(1)</sup>	-
									Total appropriations	309,801

*Part C: Agency Budget Statements—Austrade*

1. Cells C1, E1 and I1 refer to information provided in Total Resources for Outcome tables. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.
2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), new agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.
4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are detailed Table 1.3.

Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

*Section 1: Overview, appropriations and budget measures summary*

**MEASURES — SUMMARY**

**Table 1.2: Summary of measures disclosed in the 2003-04 Budget**

Measure	Outcome	Output groups affected	Appropriations budget			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)			Appropriations forward estimate 2006-07 (\$'000)		
			2003-04 (\$'000)			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
			Admin expenses	Dept outputs	Total									
Australian Trade Commission - realignment of overseas network	1	1.3	-	(228)	(228)	-	(535)	(535)	-	(535)	(535)	-	(535)	(535)
Iraq - reopening of Australian office	1	1.3	-	1,023	1,023	-	682	682	-	746	746	-	763	763

## RECEIPTS FROM INDEPENDENT SOURCES

**Table 1.3: Receipts from independent sources - Departmental**

	Estimated revenue 2002-03 \$'000	Estimated revenue 2003-04 \$'000
Sale of goods and services	18,059	18,065
Interest	2,200	2,400
Other	4,250	7,137
<b>Total estimated revenue</b>	<b>24,509</b>	<b>27,602</b>

**Table 1.3: Receipts from Independent Sources - Administered**

	Estimated revenue 2002-03 \$'000	Estimated revenue 2003-04 \$'000
Interest and royalties	114	249
<b>Total estimated revenue</b>	<b>114</b>	<b>249</b>

## **SPECIAL APPROPRIATIONS**

### **Table 1.4: Estimates of expenses from special appropriations**

Not applicable to Austrade.

## **SPECIAL ACCOUNTS**

### **Table 1.5: Estimates of special account flows and balances**

Not applicable to Austrade.

## **ADMINISTERED CAPITAL AND AUSTRADE EQUITY INJECTIONS AND LOANS**

Austrade will receive a departmental equity injection of \$0.7 million in 2003-04 for the re-establishment of an Australian office in Iraq. As indicated in Table 1.1 and as accounted for in the Capital Budget (see Table 3.4) and Appropriation Act No. 2 2003-04, these funds will be applied to assets including office fitout, telecommunications and computer equipment.

## Section 2: Outcomes and outputs information

### **OUTCOMES AND OUTPUTS**

The map on the next page shows the relationship between Austrade's two outcomes and its five outputs. The Federal Government has set these outcomes, which are primarily directed to the economic well-being of the Australian community and job creation.

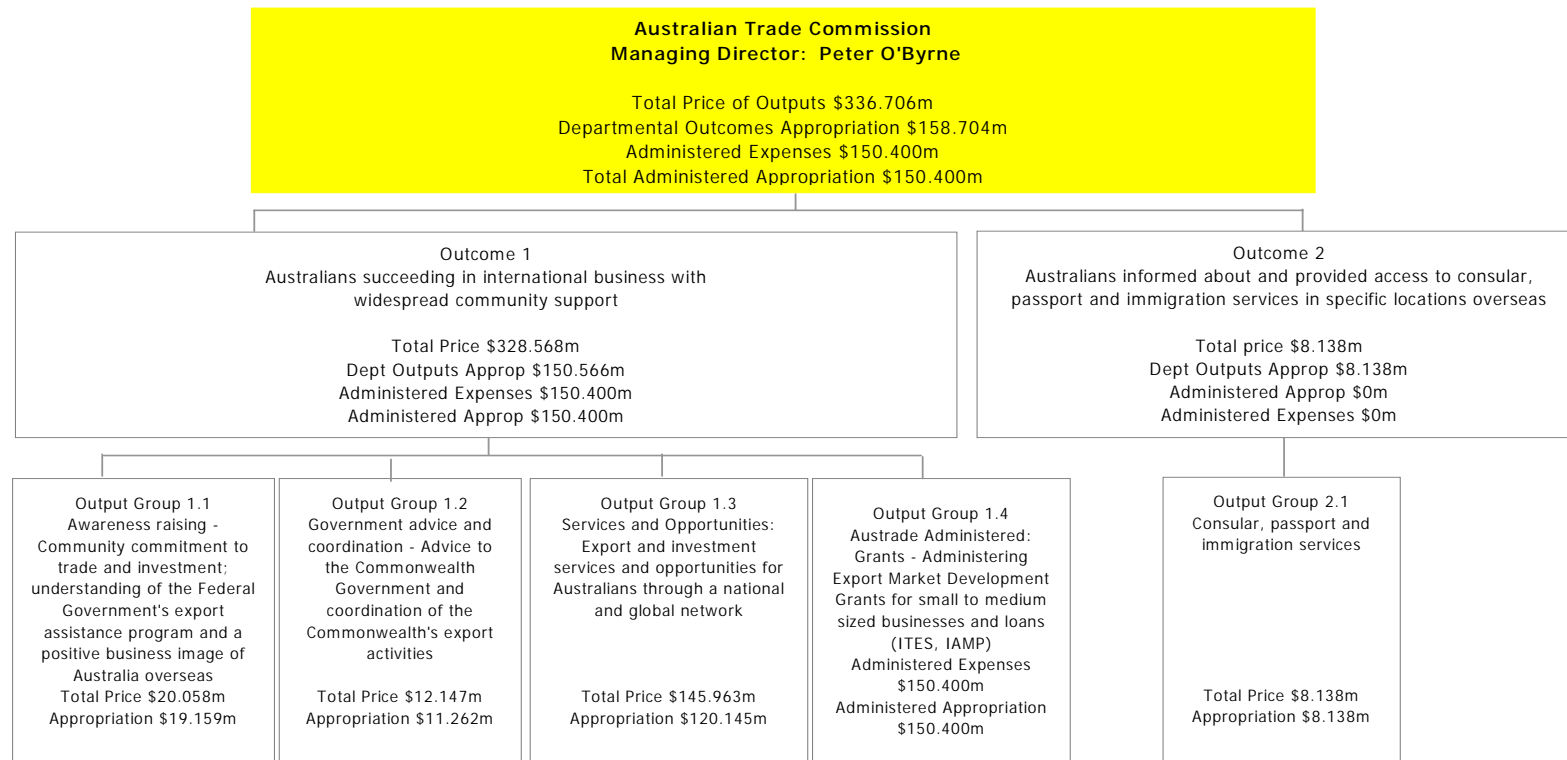
Austrade's performance is continually monitored using measures of performance at a corporate level, a unit level and individually through performance agreements with Austrade staff.

The services delivered to achieve Austrade's outputs are subject to market testing, where appropriate, to ensure they are delivered in the most efficient manner and in accordance with Government competitive tendering and contracting policy.

### **Output cost attribution**

As Austrade is a services organisation its outputs are directly related to the time its services staff spend on the provision of services to clients. Services staff record their time according to outputs in a Time Recording System which crosses time with base salaries of staff to arrive at a direct cost attributable to each output at a post or unit level. These costs are converted to percentages which are then used as drivers in the financial management information system to allocate full costs (that is all direct and indirect costs) to each output.

**Map 1: Outcomes and outputs**



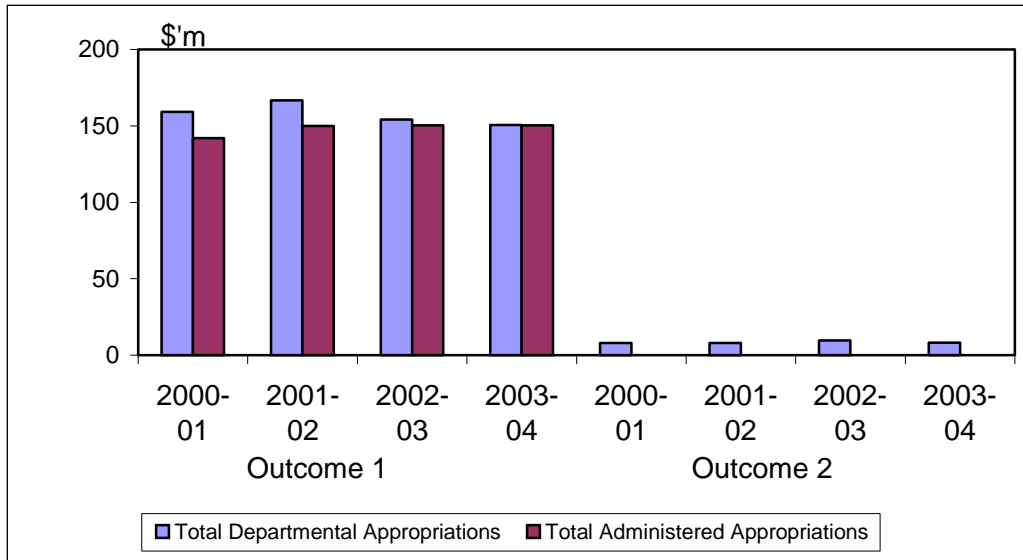
## CHANGES TO OUTCOMES AND OUTPUTS

There are no changes to outcomes from the previous year. However there is a change to output reporting under Outcome 1 in 2003-04 due to the transfer of the inward investment function to Invest Australia in 2002-03. Previously the inward investment services function was recorded as Output 1.4. This change means that under Outcome 1, the previous Output 1.5 Administered Item now becomes Output 1.4. The table below outlines the changes and their relationship to current outputs.

Outputs 2002-03	Outputs 2003-04
1.1 Awareness raising - Community commitment to trade and investment; understanding of the Federal Government's export assistance program and a positive business image of Australia overseas	1.1 Awareness raising - Community commitment to trade and investment; understanding of the Federal Government's export assistance program and a positive business image of Australia overseas
1.2 Government advice and coordination - Advice to the Commonwealth Government and coordination of the Commonwealth's export activities	1.2 Government advice and coordination - Advice to the Commonwealth Government and coordination of the Commonwealth's export activities
1.3 Services and Opportunities: Export and outward investment services and opportunities for Australians through a national and global network	1.3 Services and Opportunities: Export and investment services and opportunities for Australians through a national and global network
1.4 Inward investment attraction services	1.4 Austrade Administered: Grants - Administering Export Market Development Grants for small to medium sized businesses and loans (ITES, IAMP)
1.5 Austrade Administered: Grants - Administering Export Market Development Grants for small to medium sized businesses and loans (ITES, IAMP)	

### TRENDS IN RESOURCING ACROSS OUTCOMES

Chart 1: Trends in appropriations for all outcomes (\$'m)



## **OUTCOME 1 — DESCRIPTION**

### **Australians succeeding in international business with widespread community support**

Austrade has refocussed its efforts and resources to:

- Increase community awareness and commitment to the importance of trade and investment;
- Lead the whole of government approach to doubling the number of exporters by 2006;
- Increase significantly the proportion of knowledge-based and services-focussed companies doing business internationally; and
- Continuously improve its existing business.

### **Measures affecting Outcome 1**

#### ***Australian Trade Commission—realignment of overseas network***

Following an internal review, the Australian Trade Commission (Austrade) has realigned its overseas management structure around four rather than five regions. This has resulted in savings beginning in 2003-04.

The realignment will strengthen the emphasis of Austrade regional directors on the sales and marketing of Australian exports internationally and enhance Austrade's capacity to respond to the Government's goal of doubling the number of exporters by 2006.

**Financial Impact:** Savings of \$0.2 million in 2003-04, \$0.5 million in 2004-05, \$0.5 million in 2005-06 and \$0.5 million in 2006-07 have been identified.

***Iraq—reopening of an Australian office***

Expense

The Government has decided to re-establish Australia's diplomatic presence in Baghdad, Iraq at a cost of \$21 million over five years from 2002-03 to 2006-07. The funding will be used to meet staffing and administrative costs.

Capital

The Government has decided to re-establish Australia's diplomatic presence in Baghdad, Iraq at a cost of \$3.8 million over four years from 2003-04 to 2006-07. This funding will be used on the fit-out of the office and other minor capital expenses.

The office will include representatives from the Departments of Foreign Affairs and Trade, Immigration and Multicultural and Indigenous Affairs and the Australian Trade Commission to enable Australia to advance its commercial, immigration and humanitarian interests in post-conflict Iraq. Defence personnel will provide security at the office.

**Financial Impact:** Austrade Outcome 1 will receive \$1.0 million in 2003-04, \$0.7 million in 2004-05, \$0.7 million in 2005-06, and \$0.8 million in 2006-07.

## OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2003-04 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1**, **E1** and **I1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for Austrade).

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

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000
<b>Administered appropriations</b>		
Output 1.4 -	150,400	150,400
Revenue from other sources	114	249
<b>Total administered expenses</b>	150,514	150,649
	99.9%	99.8% (I1)
<b>Departmental appropriations</b>		
Output 1.1 -		
Awareness raising	16,849	19,159
<b>Subtotal Output Group 1.1</b>	16,849	19,159
<b>Departmental appropriations</b>		
Output 1.2 -		
Government advice and coordination	10,687	11,262
<b>Subtotal Output Group 1.2</b>	10,687	11,262
<b>Departmental appropriations</b>		
Output 1.3 -		
Services and opportunities	127,148	120,145
<b>Subtotal Output Group 1.3</b>	127,148	120,145
<b>Total revenue from government (appropriations)</b>	154,684	150,566
<b>Contributing to price of departmental outputs</b>	85.2%	84.5% (C1)
<b>Revenue from other sources</b>	26,959	27,602
<b>Total revenue from other sources</b>	26,959	27,602
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	181,643	178,168 (E1)
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations)	332,157	328,817
	2002-03	2003-04
<b>Average staffing level (number)</b>	953	955

## OUTCOME 1—CONTRIBUTION OF OUTPUTS

### Effectiveness - Overall achievement of the Outcome -

What Austrade intends to achieve in the period 2003-04 is:

Community awareness of the importance of the Government's trade and international business facilitation activities through Austrade - 72%

Proportion of Australians who believe exports make a major contribution to the economy <sup>[1]</sup> - 79%

Client satisfaction with Austrade's services - 85%

Client satisfaction with Austrade's New Exporter Development Program (NEDP) - 82%

Number of Australian exporters <sup>[1]</sup> - 32,200

Number of clients who achieve export success with Austrade's assistance (Total EI Clients) - 2,600

Number of new exporters <sup>[2]</sup> and other clients in NEDP who achieve export success with Austrade's assistance (New/NEDP EI Clients) - 1200

Number of clients who achieve export success with Austrade's assistance - non NEDP (Existing EI Clients) - 1400

Value of export success with Austrade's assistance (Total EI Dollars) - \$7,250m

Number of clients who achieve outward investment success with Austrade's assistance (OII Clients) - 70

Value of outward investment success with Austrade's assistance (OII Dollars) - \$598m

Number of clients in Biotechnology, ICT and Services sectors who achieve success with Austrade's assistance <sup>[3]</sup> (BIS Clients) - 900

### Footnotes:

[1] Not wholly within Austrade's control

[2] First export sale of \$5,000 or more in the last three years

[3] Success is defined in terms of export, investment and non-monetary measures such as strategic alliances and joint ventures

## PERFORMANCE INFORMATION FOR OUTCOME 1

**Table 2.2.1: Performance information for Outcome 1**

<b>Performance information for administered items (including third party outputs)</b>	
<b>Output 1.4</b>	
Grants - Administering Export Market Development Grants for small to medium sized businesses and loans (ITES, IAMP)	<i>Quantity</i> Total number of EMDG applicants (4580) Total number of EMDG recipients (4120) Number of new EMDG applicants (1840) Number of new EMDG recipients (1480) Number and \$ of financial facilities under management (6 & \$1.7m)

<b>Performance information for departmental outputs</b>	
<b>Output 1.1 —</b>	
Awareness Raising - Community commitment to trade and investment, understanding of the Federal Government's export assistance programs and a positive business image of Australia overseas	<i>Quality</i> Client satisfaction - Minister's Office *
	<i>Quantity</i> Community awareness of the importance of the Government's trade and international business facilitation activities through Austrade (72%)  Unprompted awareness of Austrade as a source of advice/services (38%) Proportion of Australians who believe exports make a major contribution to the economy <sup>[1]</sup> (79%) Number of awareness raising events held in Australia and overseas (2500) Number of net positive media mentions (1200)
*The measure of the Minister's satisfaction will be provided to the Board by the Minister	
[1] Not wholly within Austrade's control	

<b>Output 1.2 —</b>	
Government advice and Coordination - Advice to the Commonwealth Government and coordination of the Commonwealth's export activities	<i>Quality</i> Client satisfaction - Minister's Office *
	<i>Quantity</i> Number of briefs (incl. submissions and Ministerials) provided to: Ministers, Parliament, public sector agencies (500) Number of appearances before parliamentary committees and attendances at interdepartmental committees (80) Percentage of material prepared within agreed timeframes (100%) Number of Ministerial or Parliamentary visits assisted (90)
*The measure of the Minister's satisfaction will be provided to the Board by the Minister	

Section 2: Outcomes and outputs information

Table 2.2.1: Performance information for Outcome (Continued)

<b>Output 1.3 —</b>	
Services and Opportunities - Export and investment services and opportunities for Australians through a national and global network	<p><i>Quality</i></p> <p>Client satisfaction with Austrade's services (85%)</p> <p>Client satisfaction with Austrade's New Exporter Development Program (NEDP) (82%)</p> <p><i>Quantity</i></p> <p>Number of Australian exporters<sup>[1]</sup> (32,200)</p> <p>Number of clients who achieve export success with Austrade's assistance (Total EI Clients) (2,600)</p> <p>Number of new exporters<sup>[2]</sup> and other clients in NEDP who achieve export success with Austrade's assistance (New/NEDP EI Clients) (1,200)</p> <p>Number of clients who achieve export success with Austrade's assistance - non NEDP (Existing EI Clients) (1,400)</p> <p>Value of export success with Austrade's assistance (Total EI Dollars) (\$7,250m)</p> <p>Number of clients who achieve outward investment success with Austrade's assistance (OII Clients) (70)</p> <p>Value of outward investment success with Austrade's assistance (OII Dollars) (\$598m)</p> <p>Number of clients in Biotechnology, ICT and Services sectors who achieve success with Austrade's assistance<sup>[3]</sup>(BIS Clients) (900)</p> <p>Number of clients who achieve export success in a new country with Austrade's assistance<sup>[4]</sup> (450)</p> <p>Number of enquiries received through Austrade's Response Centre (42,000)</p> <p>Number of visits to Austrade's website (2,500,000)</p> <p>Number of clients receiving export/investment opportunities from Austrade<sup>[5]</sup> (4,000)</p> <p>Number of clients receiving initial information &amp; advice<sup>[6]</sup> and/or detailed services from Austrade (10,000)</p> <p>Number of clients in Austrade's New Exporter Development Program (9,000)</p> <p>Number of clients referred to overseas network (3,500)</p> <p>Number of international trade exhibitions involving Austrade (150)</p> <p>Number of businesses participating in international trade exhibitions (2,000)</p>
	<p>[1] Not wholly within Austrade's control</p> <p>[2] First export sale of \$5,000 or more in the last three years</p> <p>[3] Success is defined in terms of export, investment and non-monetary measures such as strategic alliances and joint ventures</p> <p>[4] Excludes New/NEDP EI clients</p> <p>[5] Excludes some clients accessing opportunities via Austrade's website</p> <p>[6] Excludes clients receiving initial information &amp; advice through Austrade's Response Centre</p>

## **EVALUATIONS**

Planned evaluations and reviews affecting Austrade in 2003-04, include:

- Risk Management – appropriate reviews will be undertaken to ensure that there is adherence to, and monitoring of, sound financial, legal and ethical decision making processes. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan; and
- Australian National Audit Office Performance Audits – Austrade expects to participate in a number of ANAO reviews in 2003-04, either commissioned or in progress, these include:
  - Protecting Australian Missions and Staff Overseas; and
  - TradeStart and Export Access Programs for Regional and Rural Australia.

## **COMPETITIVE TENDERING AND CONTRACTING**

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering of, and contracting for, its services and business activities.

In addition, Austrade's Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## OUTCOME 2 — DESCRIPTION

Australians informed about and provided access to consular, passport and immigration services in specific locations overseas

## OUTCOME 2 — RESOURCING

Table 2.1.2 shows how the 2003-04 Budget appropriations translate to total resourcing for Outcome 2, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1**, **E1** and **I1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for Austrade).

**Table 2.1.2: Total resources for Outcome 2 (\$'000)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000
<b>Departmental appropriations</b>		
Output 2.1 -		
Consular, passport and immigration services	9,318	8,138
<b>Subtotal Output Group 2.1</b>	<b>9,318</b>	<b>8,138</b>
<b>Total revenue from government (appropriations)</b>	<b>9,318</b>	<b>8,138</b>
<b>Contributing to price of departmental outputs</b>	<b>89.1%</b>	<b>100.0%</b>
		(C1)
<b>Revenue from other sources</b>	1,140	-
<b>Total revenue from other sources</b>	<b>1,140</b>	<b>-</b>
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	10,458	8,138
		(E1)
<b>Total estimated resourcing for Outcome 2</b> (Total price of outputs and administered appropriations)	<b>10,458</b>	<b>8,138</b>
	2002-03	2003-04
<b>Average staffing level (number)</b>	60	69

## OUTCOME 2 – CONTRIBUTION OF OUTPUTS

The production of Output 2.1 is delivered in accordance with arrangements between Austrade, DFAT and DIMIA.

ANAO Audit Report No. 31 2000-01 entitled 'Administration of Consular Services' recommended that Austrade separately identify funding for consular, passport and immigration services in specific locations. The total estimated resourcing for Outcome 2 is dissected as follows: Consular Services (\$2.5m), Passport Services (\$4.0m) and Immigration Services (\$1.6m).

### Effectiveness - Overall achievement of the Outcome -

Austrade's specific objective for the period is:

Delivery of comprehensive, responsive, high quality consular and passport services in specific locations overseas

## PERFORMANCE INFORMATION FOR OUTCOME 2

**Table 2.2.2: Performance Information for Outcome 2**

### Output group 2.1 —

Consular, passport and immigration services

#### Quality

Client satisfaction (DFAT and DIMIA)

#### Quantity

Number of travel documents issued (7,800)

Number of notarial acts (4,800)

Number of Australians assisted overseas (not receiving travel documents or notarial acts)

Number of visa applications received (74,000)

## EVALUATIONS

Planned evaluations and reviews affecting Austrade in 2003-04, include:

- Risk Management – appropriate reviews will be undertaken to ensure that there is adherence to, and monitoring of, sound financial, legal and ethical decision making processes. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan; and
- Australian National Audit Office Performance Audits – Austrade expects to participate in a number of ANAO reviews in 2003-04, either commissioned or in progress, these include:

*Section 2: Outcomes and outputs information*

- Consular services follow-up audit; and
- Protecting Australian Missions and Staff Overseas.

**COMPETITIVE TENDERING AND CONTRACTING**

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering of, and contracting for, its services and business activities.

In addition, Austrade's Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## Section 3: Budgeted financial statements

### **DEPARTMENTAL FINANCIAL STATEMENTS**

#### **Budgeted Departmental Statement of Financial Performance**

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

#### **Budgeted Departmental Statement of Financial Position**

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

#### **Budgeted Departmental Statement of Cash Flows**

Budgeted cash flows, as reflected in the statement of cash flows, provides 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.

#### **Departmental Capital Budget Statement**

Shows all planned departmental capital expenditure (capital expenditure on non financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

#### **Departmental Non-Financial Assets – Summary of Movement**

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

### **SCHEDULE OF ADMINISTERED ACTIVITY**

Details of transactions administered by the agency on behalf of the Commonwealth are to be shown in the following schedules to the financial statements.

**Schedule of Budgeted Revenues and Expenses Administered on behalf of Government**

This schedule identifies the main revenues and expenses administered on behalf of the Government. It also discloses administered revenues from Government and Transfers to the Official Public Account.

**Schedule of Budgeted Assets and Liabilities Administered on behalf of Government**

This schedule shows the assets and liabilities administered on behalf of the Government.

**Schedule of Budgeted Administered Cash Flows**

This schedule shows cash flows administered on behalf of the Government.

**Schedule of Administered Capital Budget**

This schedule shows details of planned administered capital expenditure.

**Schedule of Administered Non-financial Assets — Summary of Movement**

This schedule discloses details of movements in administered non-financial assets.

Part C: Agency Budget Statements—Austrade

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

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from government	164,002	158,704	160,384	162,332	164,260
Goods and services	21,349	18,315	18,315	18,315	18,315
Interest	2,500	2,400	2,400	2,400	2,400
Dividends	-	-	-	-	-
Revenue from sales of assets	250	250	250	250	250
Reversals of previous asset write-downs	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	4,000	6,637	6,637	6,637	6,637
<b>Revenues from ordinary activities</b>	<b>192,101</b>	<b>186,306</b>	<b>187,986</b>	<b>189,934</b>	<b>191,862</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	91,607	93,639	90,672	91,815	92,830
Suppliers	91,356	91,502	88,498	89,386	90,382
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	8,531	8,500	8,416	8,333	8,250
Write-down of assets	200	200	200	200	200
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	200	200	200	200	200
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>191,894</b>	<b>194,041</b>	<b>187,986</b>	<b>189,934</b>	<b>191,862</b>
Borrowing costs expense	-	-	-	-	-
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Operating surplus or deficit from ordinary activities</b>	<b>207</b>	<b>(7,735)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Net surplus or deficit</b>	<b>207</b>	<b>(7,735)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital Use Charge Paid *	(8,407)	-	-	-	-
<b>Net surplus or deficit</b>	<b>(8,200)</b>	<b>(7,735)</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The Capital Use Charge has been abolished from 1 July 2003

Section 3: Budgeted financial statements

**Table 3.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June (cont'd)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
Outside equity interests in net surplus or deficit	-	-	-	-	-
<b>Net surplus or deficit attributable to the Commonwealth</b>	<b>(8,200)</b>	<b>(7,735)</b>	-	-	-
Net credit (debit) to asset revaluation reserve	-	-	-	-	-
Net exchange difference recognised as a direct debit (credit) to equity	-	-	-	-	-
Adjustments arising from Standards recognised as direct debit (credit) to equity	-	-	-	-	-
Initial adjustments from transitional UIG consensus view recognised as direct debit (credit) to equity	-	-	-	-	-
<b>Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity</b>	<b>(8,200)</b>	<b>(7,735)</b>	-	-	-

Part C: Agency Budget Statements—Austrade

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

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	32,474	26,910	28,828	30,727	32,608
Receivables	8,141	7,907	7,907	7,907	7,907
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>40,615</b>	<b>34,817</b>	<b>36,735</b>	<b>38,634</b>	<b>40,515</b>
<b>Non-financial assets</b>					
Land and buildings	41,433	41,063	40,693	40,323	39,953
Infrastructure, plant and equipment	16,853	17,832	18,248	18,664	18,980
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	7,621	7,421	7,321	7,221	7,221
Other	4,019	4,019	4,019	4,019	4,019
<b>Total non-financial assets</b>	<b>69,926</b>	<b>70,335</b>	<b>70,281</b>	<b>70,227</b>	<b>70,173</b>
<b>Total assets</b>	<b>110,541</b>	<b>105,152</b>	<b>107,016</b>	<b>108,861</b>	<b>110,688</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	30,620	32,503	34,367	36,212	38,039
Other	-	-	-	-	-
<b>Total Provisions</b>	<b>30,620</b>	<b>32,503</b>	<b>34,367</b>	<b>36,212</b>	<b>38,039</b>
<b>Payables</b>					
Suppliers	8,000	8,000	8,000	8,000	8,000
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing Costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Payables</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
<b>Total liabilities</b>	<b>38,620</b>	<b>40,503</b>	<b>42,367</b>	<b>44,212</b>	<b>46,039</b>

Section 3: Budgeted financial statements

**Table 3.2: Budgeted Departmental Statement of Financial Position  
as at 30 June (cont'd)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000	Forw ard estimate 2006-07 \$'000
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	-	-	-	-	-
Capital	210	673	673	673	673
Reserves	85,130	85,130	85,130	85,130	85,130
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	(13,419)	(21,154)	(21,154)	(21,154)	(21,154)
<b>Total parent entity interest</b>	<b>71,921</b>	<b>64,649</b>	<b>64,649</b>	<b>64,649</b>	<b>64,649</b>
<b>Outside equity interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total outside equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>71,921</b>	<b>64,649</b>	<b>64,649</b>	<b>64,649</b>	<b>64,649</b>
<b>Total assets and liabilities by maturity</b>					
<b>Current assets</b>	40,615	34,817	36,735	38,634	40,515
<b>Non-current assets</b>	69,926	70,335	70,281	70,227	70,173
<b>Current liabilities</b>	16,391	17,400	18,399	19,387	20,366
<b>Non-current liabilities</b>	14,229	15,103	15,968	16,825	17,673

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

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	18,059	18,065	18,065	18,065	18,065
Appropriations	163,768	158,704	160,384	162,332	164,260
Interest	2,200	2,400	2,400	2,400	2,400
Dividends	-	-	-	-	-
GST input credit receipts	2,900	2,900	3,000	3,000	3,000
GST receipts from customers	140	150	150	150	150
Other	4,250	7,137	7,137	7,137	7,137
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>191,317</b>	<b>189,356</b>	<b>191,136</b>	<b>193,084</b>	<b>195,012</b>
<b>Cash used</b>					
Employees	87,498	91,058	87,915	89,288	90,299
Suppliers	90,375	92,600	89,791	90,468	91,486
Grants	-	-	-	-	-
Borrowing costs	-	-	-	-	-
GST payments	140	150	150	150	150
GST payments to suppliers	2,900	2,900	3,000	3,000	3,000
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>180,913</b>	<b>186,708</b>	<b>180,856</b>	<b>182,906</b>	<b>184,935</b>
<b>Net cash from/ (used by) operating activities</b>	<b>10,404</b>	<b>2,648</b>	<b>10,280</b>	<b>10,178</b>	<b>10,077</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	50	50	50	50	50
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	(50)	(50)	(50)	(50)	(50)
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	8,531	8,909	8,362	8,279	8,196
Purchase of financial Instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>8,531</b>	<b>8,909</b>	<b>8,362</b>	<b>8,279</b>	<b>8,196</b>
<b>Net cash from/ (used by) investing activities - non-financial</b>	<b>(8,531)</b>	<b>(8,909)</b>	<b>(8,362)</b>	<b>(8,279)</b>	<b>(8,196)</b>

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**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June (cont'd)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>Cash received</b>					
Official Public Account	-	234	-	-	-
<b>Total cash received - investing - financial</b>	-	<b>234</b>	-	-	-
<b>Net cash from/ (used by) investing</b>	-	<b>(8,675)</b>	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	50	463	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>50</b>	<b>463</b>	-	-	-
<b>Cash used</b>					
Repayments of debt	-	-	-	-	-
Capital use charge paid	8,407	-	-	-	-
Dividends paid	-	-	-	-	-
Cash used for other financing activities	4,173	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>12,580</b>	-	-	-	-
<b>Net cash from/ (used by) financing activities</b>	<b>(12,530)</b>	<b>463</b>	-	-	-
<b>Net increase/(decrease) in cash held</b>	<b>(10,657)</b>	<b>(5,564)</b>	<b>1,918</b>	<b>1,899</b>	<b>1,881</b>
Cash at the beginning of the reporting period	43,131	32,474	26,910	28,828	30,727
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>32,474</b>	<b>26,910</b>	<b>28,828</b>	<b>30,727</b>	<b>32,608</b>

*Part C: Agency Budget Statements—Austrade*

**Table 3.4: Departmental Capital Budget Statement**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	50	463	-	-	-
Total loans	-	-	-	-	-
Appropriation Previous Year	-	234	-	-	-
	-	697	-	-	-
<b>Represented by</b>					
Purchase of non-current assets	50	697	-	-	-
Other	-	-	-	-	-
<b>Total</b>	50	697	-	-	-
<b>PURCHASE OF NON CURRENT ASSETS</b>					
Funded by capital appropriation	50	697	-	-	-
Funded internally by					
Departmental resources	8,481	8,500	8,416	8,333	8,250

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**Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget year 2003-04)**

	Land	Buildings	Total Land and Buildings	Specialist military equipment	Other infrastructure plant and equipment	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	27,501	13,932	41,433	-	16,853	7,621	-	65,907
Additions	-	-	-	-	5,909	3,000	-	8,909
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	370	370	-	4,930	3,200	-	8,500
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	27,501	13,562	41,063	-	17,832	7,421	-	66,316
<b>Total additions</b>								
Self funded	-	-	-	-	5,446	3,000	-	8,446
Appropriations	-	-	-	-	463	-	-	463
<b>Total</b>					5,909	3,000	-	8,909

**Table 3.6: Schedule of Budgeted Revenues and Expenses Administered on behalf of Government for the period ended 30 June**

	Estimated actual 2002-03 \$'000	Budget estimates 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>REVENUES</b>					
<b>Taxation</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation (Revenues from Government)</b>					
Goods and services	-	-	-	-	-
Interest and royalties	114	249	616	50	50
Dividends	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Revenue from sale of assets	-	-	-	-	-
Other sources of non-taxation revenues	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Total non-taxation</b>	<b>114</b>	<b>249</b>	<b>616</b>	<b>50</b>	<b>50</b>
<b>Total revenues administered on behalf of the Government</b>	<b>114</b>	<b>249</b>	<b>616</b>	<b>50</b>	<b>50</b>
<b>EXPENSES</b>					
Grants	143,880	142,880	142,880	142,880	142,880
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Employees	4,980	4,950	4,925	5,055	5,190
Suppliers	2,040	2,570	2,645	2,490	2,330
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	(491)	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Interest	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total expenses administered on behalf of the Government</b>	<b>150,409</b>	<b>150,400</b>	<b>150,450</b>	<b>150,425</b>	<b>150,400</b>

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**Table 3.7: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government as at 30 June**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	5,373	6,764	8,879	9,046	9,096
Receivables	940	1,691	142	-	-
Investments	-	-	-	-	-
Accrued revenues	53	53	53	53	53
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>6,366</b>	<b>8,508</b>	<b>9,074</b>	<b>9,099</b>	<b>9,149</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Other non-financial assets	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of the Government</b>	<b>6,366</b>	<b>8,508</b>	<b>9,074</b>	<b>9,099</b>	<b>9,149</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Commonwealth securities	-	-	-	-	-
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	1,709	1,709	1,709	1,709	1,709
Taxation refunds provided	-	-	-	-	-
Australian currency on issue	-	-	-	-	-
Other Provisions	-	-	-	-	-
<b>Total provisions</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>
<b>Payables</b>					
Suppliers	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Taxation refunds due	-	-	-	-	-
Other payables	-	-	-	-	-
<b>Total payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities administered on behalf of the Government</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>	<b>1,709</b>

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

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Sale of goods	-	-	-	-	-
Rendering of services	-	-	-	-	-
Interest	27	101	100	50	-
Dividends	35	148	516	-	-
Cash from Official Public Account -					
Appropriations	150,400	150,400	150,400	150,400	150,400
Special Accounts	-	-	-	-	-
GST input credit receipts	115	90	95	95	-
Other	-	-	-	-	-
Transfer from other entities (Finance - WOG)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>150,577</b>	<b>150,739</b>	<b>151,111</b>	<b>150,545</b>	<b>150,400</b>
<b>Cash used</b>					
Borrowing costs	-	-	-	-	-
Employees	4,980	4,950	4,925	5,055	5,190
Suppliers	2,040	2,570	2,645	2,490	2,330
Grant payments	143,880	142,880	142,880	142,880	142,880
Interest paid	-	-	-	-	-
GST payment to suppliers	115	90	95	95	-
Subsidies paid	-	-	-	-	-
Personal benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Cash to Official Public Account from -					
Appropriations	-	-	-	-	-
Special Accounts	-	-	-	-	-
Other	-	-	-	-	-
Transfers to other entities (Finance - WOG)	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>151,015</b>	<b>150,490</b>	<b>150,545</b>	<b>150,520</b>	<b>150,400</b>
<b>Net cash from/(used by) operating activities</b>	<b>(438)</b>	<b>249</b>	<b>566</b>	<b>25</b>	<b>-</b>

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**Table 3.8: Schedule of Budgeted Administered Cash Flows  
for the period ended 30 June (cont'd)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Proceeds from sales of investments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-
Other	1,526	1,142	1,549	142	50
<b>Total cash received</b>	<b>1,526</b>	<b>1,142</b>	<b>1,549</b>	<b>142</b>	<b>50</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Transfers to Other Entities	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) investing activities</b>	<b>1,526</b>	<b>1,142</b>	<b>1,549</b>	<b>142</b>	<b>50</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Net repayment of borrowings	-	-	-	-	-
Dividends paid	1,382	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>1,382</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>(1,382)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>(294)</b>	<b>1,391</b>	<b>2,115</b>	<b>167</b>	<b>50</b>
Cash at beginning of reporting period	5,667	5,373	6,764	8,879	9,046
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
<b>Cash at end of reporting period</b>	<b>5,373</b>	<b>6,764</b>	<b>8,879</b>	<b>9,046</b>	<b>9,096</b>

**Table 3.9: Schedule of Administered Capital Budget**

Not applicable to Austrade.

**Table 3.10: Schedule of Administered Non-financial Assets — Summary of Movement (Budget year 2003-04)**

Not applicable to Austrade.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental Financial Statements and Notes Administered Items**

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

### **Appropriations in the accrual budgeting framework**

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies,
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies,
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

### **Capital use charge**

The Government has agreed to discontinue the Capital Use Charge from 1 July 2003.

### **Administered investments in controlled entities**

Each Commonwealth Department is required to show an Administered investment in each Commonwealth Authority and Company (CAC) Act 1997 entity within their portfolio. These Administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

### **Asset valuation**

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset.

## Section 4: Purchaser/Provider and Cost Recovery Arrangements

### **PURCHASER ARRANGEMENTS - WHERE AUSTRADE PURCHASES CROSS AGENCY SERVICES**

#### **Department of Foreign Affairs and Trade (DFAT)**

##### ***Cross agency overview and responsibility***

Along with a number of Commonwealth departments and agencies, Austrade purchases administrative services from DFAT under a Service Level Agreement at numerous DFAT-managed overseas posts.

The present three-year Service Level Agreement, in Austrade's case consisting of both a Memorandum of Understanding and Letter of Agreement, will expire on 30 June 2004.

##### ***Resourcing***

The purchase of administrative services from DFAT is resourced through all outputs under Outcome 1. The budgeted Service Level Agreement price in 2003-04 will equal \$0.5 million.

##### ***Performance against outcomes and outputs***

The \$0.5 million covers a range of administrative services that Austrade purchases from DFAT in order to deliver outputs. The cost of these administrative services is allocated proportionately to all outputs under Outcome 1.

## **PROVIDER ARRANGEMENTS - WHERE AUSTRADE SUPPLIES CROSS AGENCY SERVICES**

In 2003-04, Austrade will be providing services to:

- Department of Agriculture, Fisheries and Forestry – Australia (AFFA);
- Department of Foreign Affairs and Trade (DFAT);
- Department of Immigration and Multicultural and Indigenous Affairs (DIMIA);
- Department of Industry, Tourism and Resources (ITR), and
- Department of Education, Science and Training (DEST).

### **Department of Agriculture, Fisheries and Forestry – Australia**

#### ***Wine Promotion***

Austrade has been engaged by the Australian Wine and Brandy Corporation to develop a strategy and undertake marketing and promotion activities in a number of markets to increase exports of Australian wine.

### **Department of Foreign Affairs and Trade (DFAT)**

#### ***Consular Services***

DFAT is responsible for the provision of access to consular and passport services in Australia and overseas. In numerous locations overseas, Austrade manages consulates for the Government, providing a range of consular assistance, including passport services, notarial acts, medical evacuations, prison visits and general advice and assistance to Australians overseas.

Resourcing and performance information for the provision of these services can be found under Outcome 2, Output Group 2.1.

## **Industry, Tourism and Resources Portfolio**

### ***Investment Attraction***

Under a memorandum of understanding (MOU) currently being negotiated with Invest Australia, Austrade will support Invest Australia's inward investment role through the Australian Trade Commissioner network overseas.

## **Department of Immigration and Multicultural and Indigenous Affairs (DIMIA)**

### ***Visa Services***

At several of Austrade's overseas posts (generally where there is no DFAT or DIMIA presence), visa services are delivered by Austrade on behalf of DIMIA.

Resourcing and performance information for the provision of these services can be found under Outcome 2, Output Group 2.1.

## **Department of Education, Science and Training (DEST)**

Australian Education International (AEI) is part of the Commonwealth Department of Education, Science and Training. AEI's mission is to advance the internationalisation of the Australian education and training industry and to promote the industry's services to international clients. Austrade delivers generic marketing and promotion services on behalf of AEI in Europe, Brazil and Dubai under purchaser-provider agreements.

## **SUMMARY OF COST RECOVERY IMPACT STATEMENT**

Austrade's Cost Recovery Impact Statement process, or a modified process therein, will be undertaken in a timeframe consistent with the Government's five-year review schedule for existing arrangements, currently scheduled for 2007.

The majority of Austrade's services, and particularly those delivered by our overseas posts, are delivered under Austrade's Client Service Policy (CSP).

