

AUSTRALIA-JAPAN FOUNDATION

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AUSTRALIA-JAPAN FOUNDATION

Section 1: Overview

The Australia-Japan Foundation is an Australian Government statutory authority that operates in accordance with the *Financial Management and Accountability Act 1997*. It was established by the *Australia-Japan Foundation Act 1976* to encourage a closer relationship between the peoples of Australia and Japan.

The Foundation supports portfolio objectives by initiating and facilitating interaction between the two countries to expand and promote the relationship. Through its programmes the Foundation seeks to enhance Japanese perceptions of Australia and the bilateral relationship. 2006 marked the 30th anniversary of the establishment of the Australia-Japan Foundation and coincided with the Australia-Japan Year of Exchange (YOE), commemorating the anniversary of the signing of the 1976 Basic Treaty of Friendship and Cooperation between Australia and Japan.

In recognition of the Year of Exchange, the Foundation, in addition to a range of other activities, launched the Community Exchange Grants to support grass roots bilateral people-to-people and IT-based exchanges across the fields of art, sport, welfare and education.

Support was provided to facilitate the exchange of young people actively involved in debating in Australia and in Japan and assisted students to improve their debating skills. The 'Discover Eco Australia' educational CD-ROM was launched in December 2005 and over 15, 000 copies have been distributed throughout Japan. A nationwide competition encouraging students to use 'Discover Eco Australia' has been held in conjunction with the release. The Foundation will continue to build on existing cooperation and programmes whilst forging opportunities in areas that are less developed.

The Foundation consists of a Chairman/Chief Executive and members, appointed by the Minister for Foreign Affairs, who bring a diverse range of knowledge and experience of Japan to the Foundation's work. The Foundation is supported by the secretariat office in Canberra and programme staff in Tokyo.

Table 1.1: Agency outcomes and output groups

Outcome	Description	Output groups
Outcome 1		
Enhanced Japanese perceptions of Australia and strengthened bilateral relationship to advance Australia's national interests.	Advancing Australia's national interest by enhancing Japanese perceptions of Australia and strengthening bilateral relations.	<p>Output 1.1 Provision of education programs and projects about contemporary Australia to targeted Japanese groups.</p> <p>Output 1.2 Increased development and distribution of information about Australia and the bilateral relationship.</p> <p>Output 1.3 Increased interaction between Australian and Japanese individuals and organisations that show case or demonstrate Australian expertise in select areas.</p>

Section 2: Resources for 2006-07

2.1 APPROPRIATIONS AND OTHER RESOURCES

The total appropriations for the Australia-Japan Foundation in the 2006-07 Budget is \$2.373 million.

The Department of Foreign Affairs and Trade (DFAT) provides one DFAT officer and office space for the Foundation's Canberra secretariat; and one staff member and office space for the Foundation's secretariat in the Australian Embassy, Tokyo, as resources received free of charge. Financial statements audit services are also provided free of charge to the Foundation by the Australian National Audit Office. These are reflected in the Budgeted Statement of Financial Performance at Table 5.1.

The Foundation does not receive any administered appropriations.

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

Non-operating	Bill No. 1	Bill No. 2	Appropriation	(a)	(b)	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Outcome 1	2,373	0	0	45	683	3,101
Equity injections	0	0	0	0	0	0
Loans	0	0	0	0	0	0
Previous years' outputs	0	0	0	0	0	0
TOTAL	2,373	0	0	45	683	3,101

(a) Departmental receipts from other sources (i.e. other than appropriation amounts) that are available to be used.

(b) Resources Received Free of Charge (RRFOC).

Notes:

Table 2.1: Appropriations and other resources 2006-07 ('000)

1. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs) and departmental capital via departmental injections and loans.

2. Refer to Budgeted Income Statement for application of agency revenue.

2.2 2006-07 BUDGET MEASURES

The Australia – Japan Foundation does not have any new measures.

2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by the foundation for provision of goods or services. These resources are approved for use by the Australia-Japan Foundation and are included in Table 2.1.

Table 2.3: Other resources available to be used¹

	Estimated receipts 2005-06 \$'000	Budget estimate 2006-07 \$'000
Departmental resources		
Resources Received Free of Charge	751	683
Sales of Goods and Services (FMA Act s.31) ²	3	3
Interest	44	42
Total departmental other resources available to be used	798	728

Notes:

1. This table replaces the former table 'Receipts from other sources'. It represents own source receipts available for spending on departmental purposes.
2. *Financial Management and Accountability Act 1997* (FMA Act) section 31 items are to be included as separate rows. Significant section 31 items are to be identified separately from other section 31 resources where appropriate.

2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07

The Australia-Japan Foundation does not receive any administered funds.

2.5 SPECIAL APPROPRIATIONS

The Australian Government Solicitor has advised that investments under s39 of the *Financial Management and Accountability Act 1997* involve exercising a separate appropriation under the Act. The Foundation has approval to make investments from its special account, the Australia-Japan Foundation Reserve, under this authority. The following table lists the Budget estimate for 2006-07 and the revised estimate for 2005-06 for investments made from the Foundation's special appropriation.

Table 2.5: Estimates of expenses from special appropriations

	Outcome	Note	Estimated expenses 2005-06 \$'000	Budget estimate 2006-07 \$'000
Estimated expenses				
FMA Act 1997-s39-Investment from Australia-Japan Foundation Reserve	1		1,350	1,200
Total estimate expenses			1,350	1,200

2.6 SPECIAL ACCOUNTS

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997*. These Determinations may be disallowed by the Parliament. Special Accounts can also be established by the passage of separate legislation. Abolition of Special Accounts requires a Determination to be made by the Finance Minister or, for those Accounts established by legislation, by repeal of the legislation in whole or part. Table 2.6 shows the expected additions (credits) and reductions (debits) for each account used by the Australia-Japan Foundation.

Table 2.6: Estimates of special account flows and balances

		Opening balance 2006-07 2005-06	Receipts 2006-07 2005-06	Payments 2006-07 2005-06	Adjustments 2006-07 2005-06	Closing balance 2006-07 2005-06
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australia-Japan Account - <i>Australia-Japan Foundation Act</i> 1976 s18 (D)	1	664	1,045	1,151	0	558
		821	1,047	1,204	0	664
Other Trust Moneys Account - <i>Financial Management and</i> <i>Accountability Act 1997, s20</i> (D)		0	0	0	0	0
		0	0	0	0	0
Services for Other Governments and Non-Agency Bodies Account - FMA Act, s20 (D)		0	0	0	0	0
		0	0	0	0	0
Total special accounts 2006-07 Budget estimate		664	1,045	1,151	0	558
Total special accounts 2005-06 estimate actual		821	1,047	1,204	0	664

D= Departmental; A= Administered

2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Foundation does not have an appropriation for an equity injection or loan or an appropriation for administered capital.

Section 3: Outcomes

This section explains how the resources identified in Section 2 will be used to deliver outputs to the one outcome for the Australia-Japan Foundation.

3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The Australia-Japan Foundation has no administered items.

The Foundation works to achieve a single outcome through three outputs. The following is an overview of the Foundation's method of pricing outputs.

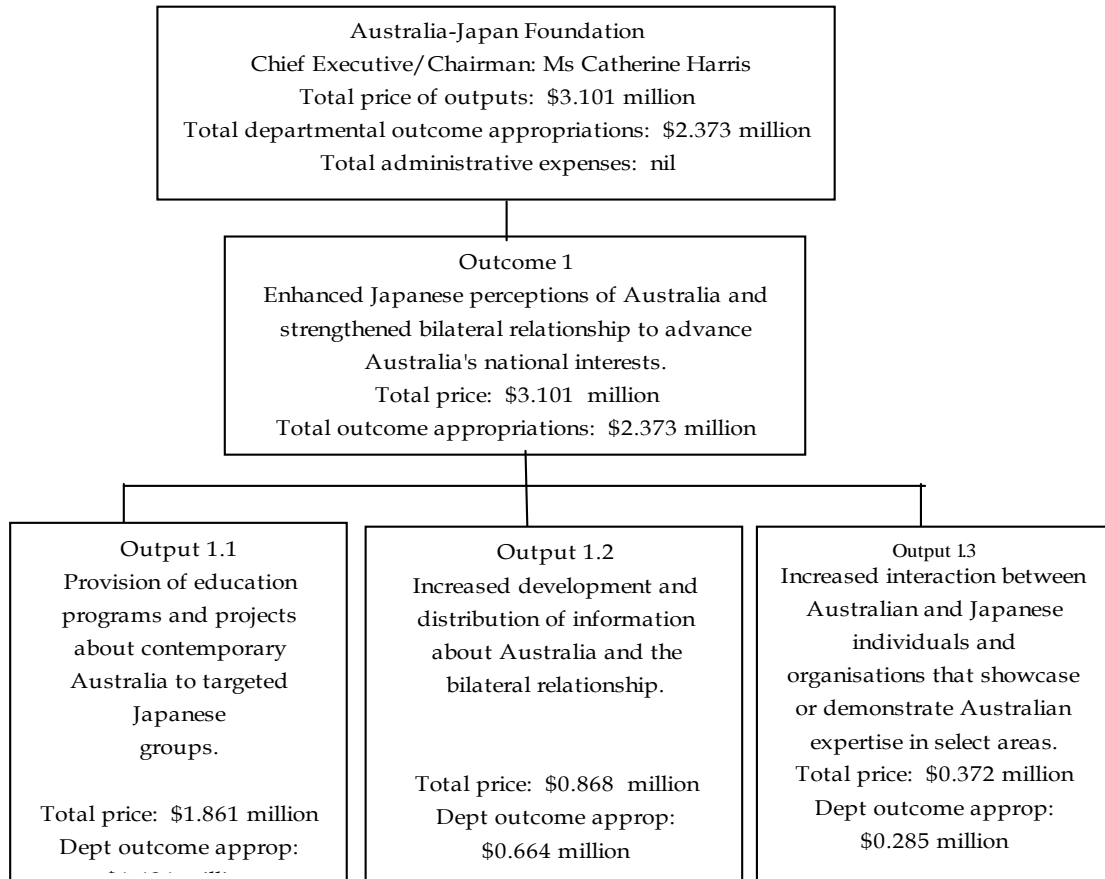
The Foundation's programme budgets determine the allocation of costs across the three outputs. Programme costs include all associated purchases attributable directly to any given programme, including costs for hiring staff with specific expertise and/or costs of tendered services required to execute the activity; all travel costs associated with development and implementation; and the majority of associated promotional costs of the programme.

Individual programmes are categorised in accordance with the Foundation's three outputs. Aggregate output costs equate to the sum of all programmes run under each output category.

The Foundation allocates overheads and other expenses between outputs as part of determining the full price of each output. Direct costs are allocated to specified outputs. Indirect costs are attributed as the percentage of total staff spent on each output.

The relationship between activities of the Australia-Japan Foundation and the outcomes is summarised in Figure 4.

Figure 4: Contributions to outcomes



There has been no change to the Foundation's outcome and outputs structure from the 2005-06 Portfolio Budget Statements.

3.2 OUTCOMES — DEPARTMENTAL AND ADMINISTERED

Departmental appropriations by outcome

As the Australia-Japan Foundation only has one outcome, 100 per cent of its departmental appropriations go to that outcome.

The Foundation received approval for a new reporting structure in 2003-04 involving the move to a single outcome and three outputs (Figure 4 refers). Appropriations for this outcome totalled \$2.423 million in 2005-06 and will reduce to \$2.373 million in 2006-07 as a result of rebasing of the Foundation's budget for anticipated foreign exchange gains.

Administered appropriations by outcome

The Foundation does not receive administered appropriations.

3.3 OUTCOMES AND PERFORMANCE

Outcome 1 resourcing

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing for Outcome 1, revenue from government (appropriation), revenue from other sources (Departmental) and the total price of outputs.

Table 3.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000
Departmental appropriations		
Output 1.1 -	854	824
To Australia-Japan Account (Section 18) <i>Australia-Japan Foundation Act 1976</i>	600	600
Subtotal Output 1.1	1,454	1,424
Departmental appropriations		
Output 1.2 -	398	384
To Australia-Japan Account (Section 18) <i>Australia-Japan Foundation Act 1976</i>	280	280
Subtotal Output 1.2	678	664
Departmental appropriations		
Output 1.3 -	171	165
To Australia-Japan Account (Section 18) <i>Australia-Japan Foundation Act 1976</i>	120	120
Subtotal Output 1.3	291	285
Total revenue from government (appropriations) Contributing to price of departmental outputs	2,423	2,373
Revenue from other sources		
Resources received free of charge	751	683
Interest	44	42
Sales of goods and services	3	3
Total revenue from other sources	798	728
Total price from departmental outputs (Total revenue from government and from other sources)	3,221	3,101
from Special Accounts (estimated payments from Special Account balances)²		
Australia-Japan Account (Section 18) <i>Australia-Japan Foundation Act 1976</i>	1,204	1,151
Total departmental Special Account outflows	1,204	1,151
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	3,221	3,101
	2005-06	2006-07
Average staffing level (number)	6	7

1 Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 2.6.

2 Special Account outflows are shown in the payments column of the Special Account table in Table 2.6.

The estimated payments from special account balances are provided by way of note only and do not form part of the total estimated resourcing.

Measures affecting Outcome 1

The Australia-Japan Foundation has no measures in the 2006-07 Budget that affect its one outcome.

Performance information for Outcome 1

Performance information for individual outputs relating to the Australia-Japan Foundation are summarised in Table 3.2.

Table 3.2: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome -
(Measures, indicators and targets used as appropriate)

Enhanced Japanese perceptions of Australia and strengthened bilateral relationship to advance Australia's national interests.

Performance indicators for individual outputs

Output

Performance indicator

Output 1.1

Output 1.1 Provision of education programmes and projects about contemporary Australia to targeted Japanese groups.

Quality: Extent to which programmes engage participation from target groups.
Extent to which target audiences show an understanding of contemporary Australia.

Quantity: Number of Japanese people involved in AJF education activities.

Price: \$1.861 million

Output 1.2

Output 1.2: Increased development and distribution of information about Australia and the bilateral relationship.

Quality: Relevance and demand for information distributed.

Extent to which the information assisted the users in understanding the bilateral relationship.

Quantity: Volume and scope of information produced annually.

Number of people and organisers to whom information is distributed.

Price: \$0.868 million

Output 1.3

Output 1.3: Increased interaction between Australian and Japanese individuals and organisations that show case or demonstrate Australian expertise in select areas.

Quality: Extent to which projects expand relations in areas that reflect Australia's sophistication and expertise

Extent to which programmes expand the range of stakeholders engaged in the bilateral relationship.

Quantity: Number of events/ formal interactions facilitated.

Price: \$0.372 million

Evaluations for Outcome 1

The Foundation monitors its operations at its regular board meetings to ensure that its activities are achieving its outcome against performance indicators. The Chairman, who is also the Chief Executive, visits the secretariat's Tokyo office every 12-18 months and the Canberra office several times a year, during which Chief Executive assesses the Foundation's operations.

The Foundation, through its Chairman and members, also conducts periodic assessments (every 12-18 months) of its direction and strategies during which it reviews activities and considers potential opportunities for expanded interaction with Japanese. The most recent assessment is currently being undertaken.

An Audit Committee consisting of three members of the Foundation, also regularly reviews Foundation activities. The Foundation is audited on an annual basis by the Australian National Audit Office and presents an annual report to Parliament.

Section 4: Other reporting requirements

4.1 PURCHASER-PROVIDER ARRANGEMENTS

The Australia- Japan Foundation does not have any purchaser-provider arrangements.

4.2 COST RECOVERY ARRANGEMENTS

The Australia- Japan Foundation does not have any purchaser-provider arrangements.

4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)

Nil.

Section 5: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Statement of Finance Performance

The Foundation's total revenue in 2006-07 is estimated to be \$3.101 million, a decrease from the 2005-06 estimated actual of \$3.221 million. The decrease is the result of rebasing of the Foundation's budget for expected foreign exchange gains during the year. The revenue figures also include resources received free of charge from the Department of Foreign Affairs and Trade which has also reduced and financial audit services provided to the Foundation by the Australian National Audit Office.

Total expenses in 2006-07 are estimated to be \$3.101 million. This is a decrease from the 2005-06 estimated actual of \$3.200 million due to expected foreign exchange gains during the year, a reduction in resources received free of charge and savings in depreciation. The key component of the Foundation's employee expenses relate to staffing and contractor costs for programmes conducted from the Foundation's Tokyo office. The Foundation's programmes, which are divided between the outputs of Education, Information and Strategic Alliances, account for most supplier expenses.

Under s39 of the *Financial Management and Accountability Act 1997* the Foundation is authorised to invest the balance of its special account, the Australia-Japan Foundation Reserve, with commercial entities. Interest revenue from invested funds is expected to be slightly less in 2006-07 and forward years.

Statement of Financial Position

The Foundation's primary asset represented under 'Infrastructure, Plant, and Equipment' is its resource centre/library located in the Australian Embassy, Tokyo.

The Foundation's main liability continues to be employee provisions, including retirement entitlements.

BUDGETED FINANCIAL STATEMENTS TABLES

Table 5.1: Budgeted departmental income statement for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
INCOME					
Revenue					
Revenues from Government	2,423	2,373	2,358	2,404	2,445
Goods and services	3	3	3	3	3
Interest	44	42	40	38	38
Dividends	0	0	0	0	0
Rents	0	0	0	0	0
Royalties	0	0	0	0	0
Other	751	683	683	683	683
Total revenue	3,221	3,101	3,084	3,128	3,169
Gains					
Net foreign exchange gains	0	0	0	0	0
Reversals of previous asset write-downs	0	0	0	0	0
Net gains from sale of assets	0	0	0	0	0
Other	0	0	0	0	0
Total gains	0	0	0	0	0
Total income	3,221	3,101	3,084	3,128	3,169
EXPENSE					
Employees	1,136	1,056	1,035	1,079	1,133
Suppliers	1,974	1,984	2,010	2,010	1,997
Grants	0	0	0	0	0
Subsidies	0	0	0	0	0
Depreciation and amortisation	90	61	39	39	39
Finance costs	0	0	0	0	0
Write-down of assets and impairment of assets	0	0	0	0	0
Net losses from sale of assets	0	0	0	0	0
Net foreign exchange losses	0	0	0	0	0
Other	0	0	0	0	0
Total expenses	3,200	3,101	3,084	3,128	3,169
Share of operating results of associates and joint ventures accounted for using the equity method	0	0	0	0	0

Table 5.1: Budgeted departmental income statement for the period ended 30 June (continued)

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
Operating result from continuing operations	21	0	0	0	0
Operating result from discontinued operations	0	0	0	0	0
Gain (loss) on remeasuring discontinued operations	0	0	0	0	0
Operating result					
Minority interest in net surplus or (deficit)	0	0	0	0	0
Net surplus or (deficit) attributable to the Australian Government	21	0	0	0	0

Table 5.2: Budgeted departmental balance sheet as at 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
ASSETS					
Financial assets					
Cash	713	782	667	712	757
Receivables	2	2	2	2	2
Investments accounted for under the equity method	0	0	0	0	0
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	0	0	0	0	0
Other investments	0	0	0	0	0
Tax assets	0	0	0	0	0
Accrued revenues	0	0	0	0	0
Other	0	0	0	0	0
Total financial assets	715	784	669	714	759
Non-financial assets					
Land and buildings	0	0	0	0	0
Infrastructure, plant and equipment	543	517	493	469	445
Investment properties	0	0	0	0	0
Heritage and cultural assets	0	0	0	0	0
Inventories	0	0	0	0	0
Intangibles	22	0	0	0	0
Biological assets	0	0	0	0	0
Assets held for sale	0	0	0	0	0
Other	10	10	10	10	10
Total non-financial assets	575	527	503	479	455
Total assets	1,290	1,311	1,172	1,193	1,214
LIABILITIES					
Interest bearing liabilities					
Loans	0	0	0	0	0
Leases	0	0	0	0	0
Deposits	0	0	0	0	0
Overdraft	0	0	0	0	0
Other	0	0	0	0	0
Total interest bearing liabilities	0	0	0	0	0
Provisions					
Employees	225	246	107	128	149
Other	0	0	0	0	0
Total provisions	225	246	107	128	149
Payables					
Suppliers	60	60	60	60	60
Grants	0	0	0	0	0
Dividends	0	0	0	0	0
Finance costs	0	0	0	0	0
Other	0	0	0	0	0
Total payables	60	60	60	60	60
Liabilities included in disposal groups held for sale	0	0	0	0	0
Total liabilities	285	306	167	188	209

Table 5.2: Budgeted departmental balance sheet as at 30 June (continued)

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
EQUITY*					
Parent entity interest					
Contributed equity	0	0	0	0	0
Reserves	150	150	150	150	150
Statutory funds	0	0	0	0	0
Retained surpluses or accumulated deficits	855	855	855	855	855
Total parent entity interest	1,005	1,005	1,005	1,005	1,005
Minority interest					
Contributed equity	0	0	0	0	0
Reserves	0	0	0	0	0
Statutory funds	0	0	0	0	0
Retained surpluses or accumulated deficits	0	0	0	0	0
Total minority interest	0	0	0	0	0
Total equity	1,005	1,005	1,005	1,005	1,005
Current assets	725	794	679	724	769
Non-current assets	565	517	493	469	445
Current liabilities	70	210	70	70	70
Non-current liabilities	215	96	97	118	139

*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	3	3	3	3	3
Appropriations	2,423	2,373	2,358	2,404	2,445
Interest	44	42	40	38	38
Dividends	0	0	0	0	0
Other	50	50	50	50	50
Total cash received	2,520	2,468	2,451	2,495	2,536
Cash used					
Employees	1,035	792	931	815	839
Suppliers	1,791	1,592	1,620	1,620	1,637
Grants	0	0	0	0	0
Financing costs	0	0	0	0	0
Other	0	0	0	0	0
Total cash used	2,826	2,384	2,551	2,435	2,476
Net cash from or (used by) operating activities	(306)	84	(100)	60	60
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	0	0	0	0	0
Proceeds from sales of financial instruments	0	0	0	0	0
Bills of exchange and promissory notes	0	0	0	0	0
Repayments of loans made	0	0	0	0	0
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	1,350	1,200	1,000	1,000	1,000
Other	0	0	0	0	0
Total cash received	1,350	1,200	1,000	1,000	1,000
Cash used					
Purchase of property, plant and equipment	25	15	15	15	15
Purchase of financial instruments	0	0	0	0	0
Bills of exchange and promissory notes	0	0	0	0	0
Loans made	0	0	0	0	0
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	1,350	1,200	1,000	1,000	1,000
Other	0	0	0	0	0
Total cash used	1,375	1,215	1,015	1,015	1,015
Net cash from or (used by) investing activities	(25)	(15)	(15)	(15)	(15)

Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June (continued)

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	0	0	0	0	0
Proceeds from issuing financial instruments	0	0	0	0	0
Proceeds from loans	0	0	0	0	0
Other	0	0	0	0	0
Total cash received	0	0	0	0	0
Cash used					
Repayments of debt	0	0	0	0	0
Dividends paid	0	0	0	0	0
Other	0	0	0	0	0
Total cash used	0	0	0	0	0
Net cash from or (used by) financing activities	0	0	0	0	0
Net increase or (decrease) in cash held					
	(331)	69	(115)	45	45
Cash at the beginning of the reporting period	1,044	713	782	667	712
Effect of exchange rate movements on cash at the beginning of reporting period	0	0	0	0	0
Cash at the end of the reporting period	713	782	667	712	757

Table 5.4: Departmental statement of changes in equity — summary of movement (Budget 2006-07)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2005					
Balance carried forward from previous period	834	150	0	0	984
Adjustment for changes in accounting policies	0	0	0	0	0
Adjusted opening balance	834	150	0	0	984
Income and expense					
Income and expenses recognised directly in equity:	0	0	0	0	0
Gain/loss on revaluation of property	0	0	0	0	0
Sub-total income and expense	0	0	0	0	0
Net operating result	21	0	0	0	21
Total income and expenses recognised directly in equity	21	0	0	0	21
Transactions with owners					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	0	0	0	0	0
Returns of capital					
Restructuring	0	0	0	0	0
Other	0	0	0	0	0
<i>Contribution by owners</i>					
Appropriation (equity injection)	0	0	0	0	0
Other:					
Restructuring	0	0	0	0	0
Sub-total transactions with owners	0	0	0	0	0
Transfers between equity components	0	0	0	0	0
Estimated closing balance as at 30 June 2006	855	150	0	0	1,005

Table 5.5: Departmental capital budget statement

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forw ard estimate 2007-08 \$'000	Forw ard estimate 2008-09 \$'000	Forw ard estimate 2009-10 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections					
Total loans					
Total capital appropriations					
Represented by:					
Purchase of non-financial assets					
Other					
Total represented by					
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation					
Funded internally by					
Departmental resources	25	15	15	15	15
Total	25	15	15	15	15

Table 5.6: Departmental property, plants, equipment and intangibles - summary of movement (Budget year 2006-07)

	Land	Investment property	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2005									
Gross book value	0	0	0	0	650	0	315	0	965
Accumulated depreciation	0	0	0	0	(84)	0	(255)	0	(339)
Opening net book value	0	0	0	0	566	0	60	0	626
Additions:									
by purchase	0	0	0	0	25	0	0	0	25
by finance lease	0	0	0	0	0	0	0	0	0
internally developed	0	0	0	0	0	0	0	0	0
from acquisitions of entities or operations (including restructuring)	0	0	0	0	0	0	0	0	0
Revaluations and impairment through equity	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Depreciation/amortisation expense	0	0	0	0	(52)	0	(38)	0	(90)
Impairments recognised in operating result	0	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	4	0	0	0	4
Disposals:									
from disposal of entities or operations (including restructuring)	0	0	0	0	0	0	0	0	0
other disposals	0	0	0	0	0	0	0	0	0
As at 30 June 2006									
Gross book value	0	0	0	0	679	0	315	0	994
Accumulated depreciation	0	0	0	0	(136)	0	(293)	0	(429)
Estimated closing net book value	0	0	0	0	543	0	22	0	565

NOTES TO THE FINANCIAL STATEMENTS

Appropriations in the accrual budgeting framework

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, all transactions are budgeted for and reported on. The Australia-Japan Foundation receives a departmental appropriation for administrative costs and an appropriation for its special account for programme delivery. Expenses include employee and supplier expenses and other operating costs incurred by the Foundation.

Asset Valuation

The Foundation uses either the cost basis or the fair value basis to measure property, plant, equipment and intangibles. Fair value essentially reflects the current market value of an asset.