

**PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS 2008-09**

FOREIGN AFFAIRS AND TRADE PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2008-09

© Commonwealth of Australia 2008

ISBN 978-1-921244-90-2

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Commonwealth. Requests and enquiries concerning reproduction and rights should be addressed to the:

Commonwealth Copyright Administration
Attorney-General's Department
Robert Garran Offices
National Circuit
BARTON ACT 2600

Or posted at

Website: www.ag.gov.au/cca

Printed by CanPrint Communications Pty Ltd

Insert letter of transmittal here

Abbreviations and conventions

(a) The following notations may be used:

NEC/nec	not elsewhere classified
AEST	Australian Eastern Standard Time
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

(b) Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

ENQUIRIES

Should you have any enquiries regarding this publication please contact Ann Thorpe, Chief Finance Officer, Department of Foreign Affairs and Trade on (02) 6261 1240.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to government outcomes by agencies within the portfolio. However, unlike the Portfolio Budget Statements, the PAES summarise only the *changes* in resourcing by outcome since the Budget, that is, they update the resourcing for the agency. The PAES include for the first time an Agency Resource Statement, in addition to the information on new measures and the Appropriation Bills.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2008-09. In this sense the PAES are declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2008-09* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

User guide

Provides an introduction explaining the purpose of the PAES.

Portfolio overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.

Agency additional estimates statements

A statement (under the name of the agency) for each agency affected by Additional Estimates.

Section 1: Agency overview and resources

This section details the total resources available to an agency, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4.

Section 2: Revisions to outcomes and planned performance

This section details changes to government outcomes and/or changes to the planned performance of agency output groups.

Section 3: Explanatory tables and budgeted financial statements

This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.

Glossary

Explains key terms relevant to the portfolio.

CONTENTS

Portfolio Overview 3

Agency Additional Estimates Statements 7

 Department of Foreign Affairs and Trade (DFAT) 9

 Australian Trade Commission (Austrade)..... 51

 AusAID (Australian Agency for International Development)..... 71

 Australian Secret Intelligence Service (ASIS) 91

Glossary 106

PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

There have been no changes to the structure of the portfolio since the *2008-09 Portfolio Budget Statements*. The Minister for Foreign Affairs and the Minister for Trade remain the two portfolio Ministers and there has been no change in responsibilities for the Parliamentary Secretaries for Trade, Pacific Island Affairs and International Development Assistance.

The Foreign Affairs and Trade portfolio responsibilities have not changed since the enactment of the Administrative Arrangements Orders of 25 January 2008. The 'investment promotion' function has been transferred from the Department of Innovation, Industry, Science and Research to the Australian Trade Commission (Austrade).

ADDITIONAL ESTIMATES AND VARIATIONS – PORTFOLIO LEVEL

The portfolio is seeking a net increase of \$234.312 million in resourcing for 2008-09 as listed below. This includes Bill No. 3 and Bill No. 4 appropriations (Departmental and Administered). Further details are provided in each agency's Additional Estimates statements.

Department of Foreign Affairs and Trade (DFAT) - \$74.839 million

Departmental Items

- **\$0.549m** for the initial regional consultations phase of the proposal for a possible Asia-Pacific Community;
- **\$5.131m** for the appointment of a resident Ambassador to the Holy See and the establishment of a chancery;
- **\$1.915m** to contribute to the initial regional Bali Democracy Forum meeting;
- **\$3.930m** to improve security for staff at the Australian High Commission in Suva;
- **\$0.244m** for the implementation of Operation Sunlight;
- **\$3.786m** to establish the International Commission on Nuclear Non-proliferation and Disarmament and to support future meetings and outreach;
- **\$1.589m** to progress the Government's Pacific Engagement Strategy;
- **\$0.379m** for DFAT's role in the implementation of the Pacific Seasonal Worker Pilot Scheme;
- **\$3.325m** to improve security for staff at the Australian High Commission in Islamabad;

- **\$0.275m** to meet the costs of engaging and supporting Australia's Special Envoy for Whale Conservation;
- **\$0.243m** for outreach in support of the Australian-led international non-lethal whale research partnership in the southern ocean;
- **\$1.934m** to support efforts to promote Australia's candidacy for a non-permanent seat on the United Nations Security Council for the 2013-14 term;
- **(\$2.001m)** adjustment for foreign exchange movements;
- **\$4.773m** adjustment for overseas inflation;
- **\$1.953m** adjustment for 2007-08 VAT refunds; and
- **\$0.784m** adjustment to passport funding due to the higher than expected number of passports issued in 2007-08.

Administered Items

- **\$12.000m** to meet the ongoing construction and operational costs associated with Australia's pavilion at the Shanghai World Expo 2010;
- **\$16.000m** between-year movement of funds from 2010-11 to 2008-09 to meet the ongoing construction and operational costs associated with Australia's pavilion at the Shanghai World Expo 2010;
- **\$18.803m** adjustment for contributions to international organisations, reflecting foreign exchange movements;
- **\$0.142m** adjustment to locally-engaged staff pension schemes;
- **(\$0.900m)** adjustment to the Export Finance and Insurance Corporation (EFIC) National Interest Account; and
- **(\$0.015m)** adjustment to supplier payments.

Australian Trade Commission (Austrade) - (\$2.329 million)

Departmental Items

- **\$1.055m** adjustment for overseas inflation; and
- **(\$3.384m)** adjustment for foreign exchange movements.

AusAID (Australian Agency for International Development) - \$157.218 million

Departmental Items

- **\$1.126m** for the establishment of an Australia-Indonesia Facility for Disaster Reduction.

Administered Items

- **\$100.000m** for Australia's contribution to the World Bank Clean Technologies Fund;
- **\$50.000m** for Australia's contribution to the World Bank Global Food Crisis Trust Fund;
- **\$4.510m** for the establishment of an Australia-Indonesia Facility for Disaster Reduction; and
- **\$1.582m** for the establishment of a Deployable Civilian Capacity Unit.

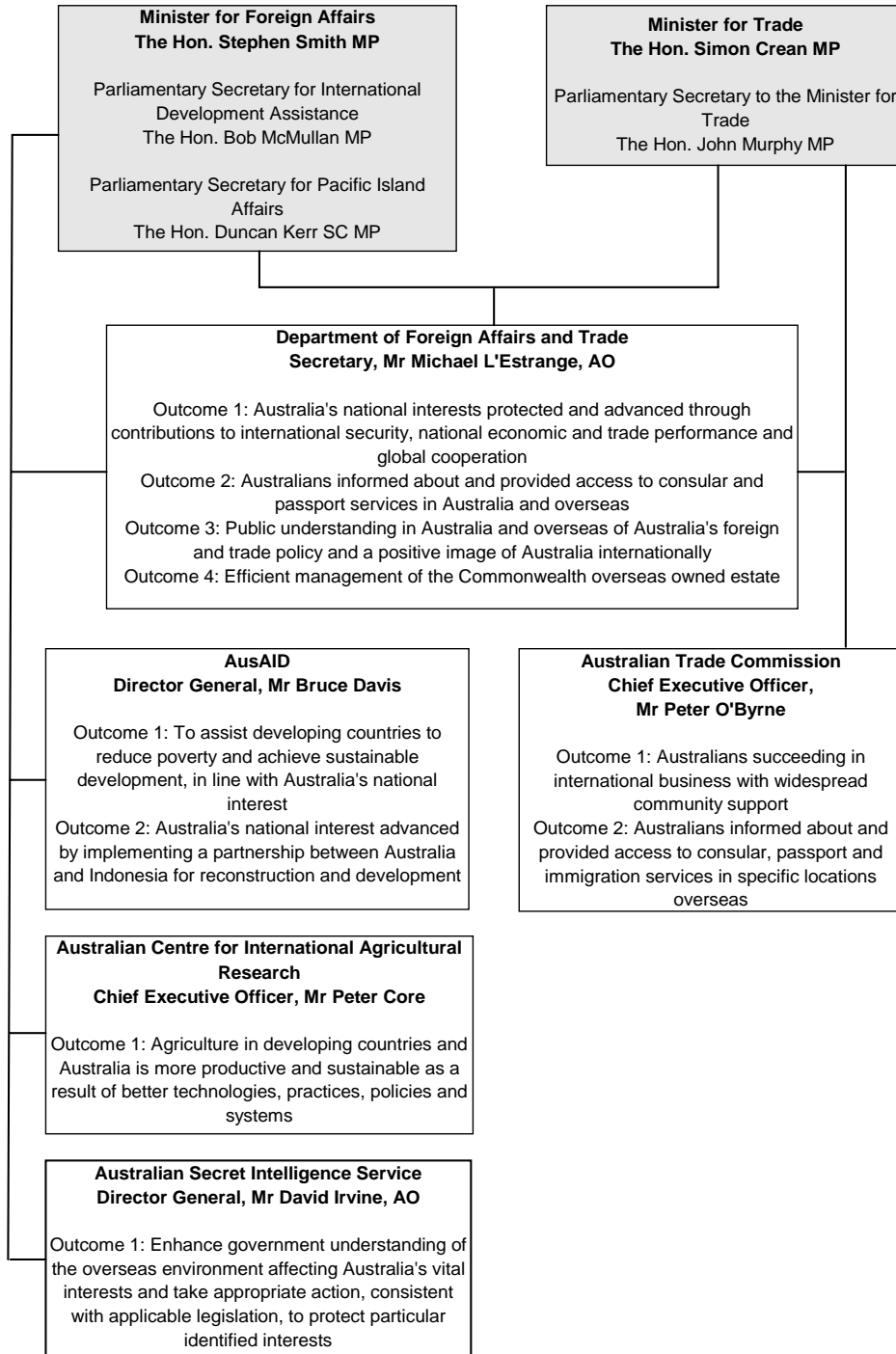
Australian Secret Intelligence Service (ASIS) - \$4.584 million

- **\$4.584m** for an Enhanced Intelligence Capacity.

Australian Centre for International Agriculture Research (ACIAR)

There are no additional measures or variations for ACIAR.

Figure 1: Foreign Affairs and Trade portfolio structure and outcomes



AGENCY ADDITIONAL ESTIMATES STATEMENTS

Department of Foreign Affairs and Trade (DFAT).....	9
Australian Trade Commission (Austrade).....	51
AusAID (Australian Agency for International Development).....	71
Australian Secret Intelligence Service (ASIS)	91

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

Section 1: Agency overview and resources.....	11
1.1 Strategic direction.....	11
1.2 Agency resource statement.....	13
1.3 Agency measures table.....	16
1.4 Additional estimates and variations.....	19
1.5 Breakdown of additional estimates by appropriation bill.....	23
Section 2: Revisions to agency outcomes and planned performance.....	26
2.1 Outcomes and performance information.....	26
Section 3: Explanatory tables and budgeted financial statements.....	29
3.1 Explanatory tables.....	29
3.2 Budgeted financial statements.....	33

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

To further progress the foreign and trade policy priorities outlined in the *2008-09 Portfolio Budget Statements*, the Government has agreed to fund a range of foreign and trade policy initiatives, which will be delivered by the department.

Following the announcement by the Prime Minister, Mr Rudd, on 4 June 2008 of a proposal for a possible **Asia-Pacific Community**, the department, working with the Department of the Prime Minister and Cabinet and the Special Envoy appointed by the Prime Minister, commenced arrangements for regional consultations on the prospects for progress towards an Asia-Pacific Community. Additional funding provided through the 2008-09 Additional Estimates will support these consultations.

The Australian Government has for the first time appointed a resident Ambassador to the **Holy See**. The appointment will mark a deepening of Australia's relations with the Vatican. It will facilitate expanded dialogue on human rights, food security, arms control, refugees and interfaith issues. Additional funding provided through the 2008-09 Additional Estimates will support the establishment of the new mission.

The **Bali Democracy Forum** (BDF) aims to promote regional and international cooperation to strengthen democratic institutions in the region through dialogue and practical cooperation. The inaugural BDF Ministerial-level meeting will be held in Bali in December 2008 and will be co-chaired by the Prime Minister, Mr Rudd, and the President of Indonesia, Susilo Bambang Yudhoyono. Additional funding provided through the 2008-09 Additional Estimates will support the co-hosting of the meeting.

In view of the deteriorating security situation and heightened risks in Pakistan, additional funding will be provided to implement a range of **new security measures** at our post in **Islamabad**. Security will also be upgraded at our post in Suva, **Fiji**. Funding for these measures will be provided through the 2008-09 Additional Estimates.

In an address at Kyoto University, Japan, on 9 June 2008, the Prime Minister, Mr Rudd, announced the establishment of an **International Commission on Nuclear Non-proliferation and Disarmament**. The objective of the Commission is to strengthen the Nuclear Non-Proliferation Treaty (NPT), reinvigorate the global effort against the proliferation of nuclear weapons and reaffirm commitment to the ultimate goal of a nuclear weapons-free world. The Commission aims to help shape a global consensus in the lead-up to the 2010 NPT Review Conference. Additional funding

provided through the 2008-09 Additional Estimates will support the establishment and outreach activities of the Commission.

The department has played a leading role in the implementation of a comprehensive strategy for **stronger engagement with the Pacific**, in accordance with the Prime Minister's Port Moresby Declaration of 6 March 2008. A key element of the strategy is the negotiation of long-term Pacific Development Partnerships. The Government is working towards the objective of a series of Partnerships across the region to support Pacific island states in meeting their Millennium Development Goals by 2015. Additional funding provided through the 2008-09 Additional Estimates will support these and other new priorities in the Pacific.

On 17 August 2008 the Government announced a three-year **Seasonal Worker Pilot Scheme** to enable Pacific islanders to work in the horticulture industry in regional Australia. The scheme will assist Australian farmers and growers and the development needs of Pacific island countries. Additional funding provided through the 2008-09 Additional Estimates will support DFAT's role in developing inter-government arrangements to underpin the pilot scheme.

On 20 October 2008 the Government announced the appointment of **Australia's Special Envoy for Whale Conservation** as part of a comprehensive strategy to bring an end to commercial and so called 'scientific' whaling. Additional funding provided through the 2008-09 Additional Estimates will support efforts by the Special Envoy to deepen our engagement with whaling nations and other countries on the importance of whale conservation.

The Government will also provide additional funding to the department, through the 2008-09 Additional Estimates, for outreach in support of the Australian-led **non-lethal whale research partnership** in the southern ocean and Australian proposals to reform the International Whaling Commission into a conservation-focused organisation.

The department is working to further develop Australia's engagement with the United Nations (UN). The Prime Minister, Mr Rudd, announced in March 2008 that Australia would be a candidate for a non-permanent seat on the **UN Security Council** for the 2013-14 term. Membership of the Security Council would give Australia a greater ability to shape international responses to security issues. The department moved quickly to progress the candidacy and has been active in seeking support for it around the world. Additional funding provided through the 2008-09 Additional Estimates will support the first phase of Australia's UN Security Council campaign.

Australia's commitment to help stabilise and rebuild Afghanistan remains a major focus of the department's work. The department responded to an attack in January 2008 on the Serena Hotel which housed our **embassy in Kabul** by relocating our operations. The purchase of land for an Australian embassy, to be funded through

the 2008-09 Additional Estimates, will enable us to provide a more secure Australian presence in Afghanistan.

In 2010 China will host **Shanghai World Expo**, expected to attract more than 70 million visitors. DFAT has whole-of-government responsibility for Australia's involvement in world expositions and is leading the expo project on behalf of the Australian Government in collaboration with other Commonwealth agencies, state and territory governments and private sector stakeholders. Additional funding provided through the 2008-09 Additional Estimates will enable project contracts to be signed to take forward work on Australia's pavilion at the Expo.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of Foreign Affairs and Trade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

Table 1.1: DFAT resource statement – For 2008-09 as at Additional Estimates December 2008

	Estimate as at Budget ⁺	Proposed Additional ⁼ Estimates	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Ordinary Annual Services				
Departmental outputs				
Departmental outputs	1,046,984 ¹	17,376 ²	1,064,360	1,166,050
s31 Relevant agency receipts	47,677	-	47,677 ⁴	29,297
Total	1,094,661	17,376	1,112,037	1,195,347
Administered expenses				
Outcome 1	261,798	18,930 ²	280,728	219,418
Outcome 2	500	-	500	786
Outcome 3	33,572	28,000 ²	61,572	30,237
Payments to CAC Act Bodies	10,600	(900) ²	9,700	12,679
Total	306,470	46,030	352,500	263,120
Total ordinary annual services	A 1,401,131	63,406	1,464,537	1,458,467
Other services				
Departmental non-operating				
Equity injections	79,968 ¹	8,696 ³	88,664	96,991
Previous years' outputs	7,851	2,737 ³	10,588	11,100
Total	87,819	11,433	99,252	108,091
Administered non-operating				
Administered Assets and Liabilities	-	- -	-	-
Total	-	- -	-	-
Total other services	B 87,819	11,433	99,252	108,091
Total Available Annual Appropriations	1,488,950	74,839	1,563,789	1,566,558
Special Appropriations				
Special Appropriations limited by criteria/entitlement				
Special Appropriation FMA Act, 1997 s28	500	-	500	1,174
Total Special Appropriations	C 500	-	500	1,174
Total Appropriations excluding Special Accounts	1,489,450	74,839	1,564,289	1,567,732

Table 1.1: DFAT resource statement – For 2008-09 as at Additional Estimates December 2008 (continued)

	Estimate as at Budget +	Proposed Additional = Estimates	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Special Accounts				
Opening balance ⁵	215,585	-	215,585	192,197
Appropriation Receipts ⁶	12,963	25,037	38,000	5,562
Non-Appropriation receipts to Special Accounts	180,769	3,327	184,096	176,144
Total Special Account D	409,317	28,364	437,681	373,903
Total resourcing A+B+C+D	1,898,767	103,203	2,001,970	1,941,635
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	126,057	24,137	150,194	125,947
Total net resourcing for DFAT	1,772,710	79,066	1,851,776	1,815,688

¹ Includes estimations of appropriations carried forward from prior years and available for use in 2008-09. The Departmental Outputs figure includes \$225.049m of carried forward appropriations from prior years and the Equity Injections figure includes \$52.223m.

² Appropriation Bill (No.3) 2008-09

³ Appropriation Bill (No.4) 2008-09

⁴ s31 Relevant Agency receipts - estimate

⁵ Actual opening balance for special accounts. For further information on special accounts see Table 3.1.3, Section 3

⁶ Appropriation receipts from Department of Foreign Affairs and Trade annual and special appropriations for 2008-09 included above

Note: All figures are GST exclusive.

Third Party Drawdowns from and on behalf of other agencies

	Estimate at Budget	Estimate at Additional Estimates	
	2008-09 \$'000	2008-09 \$'000	
Revenue received from other agencies for the provision of services (disclosed above within Departmental s31)	47,677	47,677	
Payments made to CAC Act bodies within the portfolio Department of Foreign Affairs and Trade (source of appropriation)	10,600	9,700	
Prior year Annual Appropriations Carried Forward and Special Account Opening Balances finalised in Agency Annual Report			
	Estimate \$'000	Actual \$'000	Total Adjustment \$'000
Departmental outputs - ordinary annual services	1,094,661	1,195,347	100,686
Departmental - non-operating - equity injections	87,819	108,091	20,272
Administered non-operating - administered assets and liabilities	-	-	-
Special account opening balances	223,157	224,224	1,067

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new government measures taken since the 2008-09 Budget. The table is split into expense and capital measures, with the affected output group identified. There are no new revenue measures.

Table 1.2: Agency Measures since Budget

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Expense measures					
Asia Pacific Community	1.1				
Administered expense		-	-	-	-
Departmental outputs		546	-	-	-
Australian Embassy to the Holy See	1.1, 1.2, 1.3				
Administered expense		-	-	-	-
Departmental outputs		1,505	2,198	2,243	2,238
Bali Democracy Forum	1.1				
Administered expense		-	-	-	-
Departmental outputs		1,858	-	-	-
Fiji - Upgrade of Security at the Australian High Commission	1.2				
Administered expense		-	-	-	-
Departmental outputs		471	457	482	467
Implementation of Operation Sunlight ¹	1.1, 1.2, 1.3, 1.4, 2.1, 3.1				
Administered expense		-	-	-	-
Departmental outputs		244	-	-	-
International Commission on Nuclear Non-proliferation and Disarmament	1.1				
Administered expense		-	-	-	-
Departmental outputs		3,543	-	-	-
Pacific Engagement Strategy	1.1				
Administered expense		-	-	-	-
Departmental outputs		1,281	-	-	-
Pacific Seasonal Worker Pilot Scheme ²	1.1				
Administered expense		-	-	-	-
Departmental outputs		379	358	347	336
Pakistan - Upgrade of Security at the Australian High Commission	1.2				
Administered expense		-	-	-	-
Departmental outputs		1,624	1,041	1,001	1,009

Table 1.2: Agency Measures since Budget (continued)

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Special Envoy - Whale Conservation	1.1				
Administered expense		-	-	-	-
Departmental outputs		275	-	-	-
Southern Ocean Research - Whale Conservation ³	1.1				
Administered expense		-	-	-	-
Departmental outputs		243	332	317	301
United Nations Security Council - Candidacy	1.1				
Administered expense		-	-	-	-
Departmental outputs		1,857	-	-	-
Total					
Total expense measures	Administered	-	-	-	-
	Departmental	13,826	4,386	4,390	4,351
	Total	13,826	4,386	4,390	4,351
Capital measures					
Afghanistan - Purchase of Land for New Chancery in Kabul ⁴	4.1				
Administered capital		-	-	-	-
Departmental capital		19,447	-	-	-
Asia Pacific Community	1.1				
Administered capital		-	-	-	-
Departmental capital		3	-	-	-
Australian Embassy to the Holy See	1.1, 1.2, 1.3				
Administered capital		-	-	-	-
Departmental capital		3,429	-	-	11
Bali Democracy Forum	1.1				
Administered capital		-	-	-	-
Departmental capital		50	-	-	-
Fiji - Upgrade of Security at the Australian High Commission	1.2				
Administered capital		-	-	-	-
Departmental capital		3,027	-	-	-
International Commission on Nuclear Non-proliferation and Disarmament	1.1				
Administered capital		-	-	-	-
Departmental capital		217	-	-	-

Table 1.2: Agency Measures since Budget (continued)

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Pacific Engagement Strategy	1.1				
Administered capital		-	-	-	-
Departmental capital		280	-	-	-
Pakistan - Upgrade of Security at the Australian High Commission	1.2				
Administered capital		-	-	-	-
Departmental capital		1,620	-	-	-
United Nations Security Council - Candidacy	1.1				
Administered capital		-	-	-	-
Departmental capital		70	-	-	-
Total					
Total capital measures	Administered	-	-	-	-
	Departmental	28,143	-	-	11
	Total	28,143	-	-	11

1. The lead agency for the Implementation of Operation Sunlight is the Department of Finance and Deregulation.

2. The lead agency for the Pacific Seasonal Worker Pilot Scheme measure is the Department of Education, Employment and Workplace Relations (DEEWR). The full measure description and package details appear in the Mid-Year Economic and Fiscal Outlook under the DEEWR portfolio.

3. The lead agency for the Southern Ocean Research - Whale Conservation measure is the Department of the Environment, Water, Heritage and the Arts (DEWHA).

4. The Purchase of Land for the New Chancery in Kabul will be funded through the Overseas Property Special Account and not through the Appropriation Bills.

Note: Figures in Table 1.2 reflect impact on the fiscal balance. They therefore exclude depreciation.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for DFAT at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (departmental)					
Asia Pacific Community	1.1	549	-	-	-
Australian Embassy to the Holy See	1.1, 1.2, 1.3	5,131	2,593	2,638	2,644
Bali Democracy Forum	1.1	1,915	-	-	-
Fiji - Upgrade of Security at the Australian High Commission	1.2	3,930	884	904	884
Implementation of Operation Sunlight	1.1, 1.2, 1.3, 1.4, 2.1, 3.1	244	-	-	-
International Commission on Nuclear Non-proliferation and Disarmament	1.1	3,786	-	-	-
Pacific Engagement Strategy	1.1	1,589	-	-	-
Pacific Seasonal Worker Pilot Scheme	1.1	379	358	347	336
Pakistan - Upgrade of Security at the Australian High Commission	1.2	3,325	1,365	1,325	1,333
Special Envoy - Whale Conservation	1.1	275	-	-	-
Southern Ocean Research - Whale Conservation	1.1	243	332	317	301
United Nations Security Council - Candidacy	1.1	1,934	-	-	-
Net impact on estimates for Outcome 1 (departmental)		23,300	5,532	5,531	5,498
Outcome 3					
Increase in estimates (administered)					
Shanghai World Expo 2010 - Australia's Participation	3.1	28,000	-	-	-
Decrease in estimates (administered)					
Shanghai World Expo 2010 - Australia's Participation	3.1	-	-	(16,000)	-
Net impact on estimates for Outcome 3 (administered)		28,000	-	(16,000)	-

Table 1.4: Additional estimates and variations to outcomes from other variations

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (administered)					
Payments to International Organisations		18,803	20,141	20,217	20,217
Pension Scheme Adjustments		142	142	142	142
Decrease in estimates (administered)					
Export Finance and Insurance Corporation (EFIC)		(900)	(2,600)	(2,100)	(2,200)
Suppliers - Parameter Adjustments		(15)	(9)	(8)	(7)
Net impact on estimates for Outcome 1 (administered)		18,030	17,674	18,251	18,152
Increase in estimates (departmental)					
Adjustment for domestic inflation in 2008-09		-	2,608	3,343	3,382
Adjustment of overseas inflation rebasing		3,414	3,414	3,414	3,414
Adjustment for within year forex adjustments		3,654	-	-	-
Adjustment for VAT refunds 2007-08		1,953	-	-	-
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing		(5,547)	(5,547)	(5,547)	(5,547)
Net impact on estimates for Outcome 1 (departmental)		3,474	475	1,210	1,249
Outcome 2					
Increase in estimates (departmental)					
Adjustment for domestic inflation in 2008-09		-	1,216	1,559	1,576
Adjustment of overseas inflation rebasing		924	924	924	924
Adjustment for within year forex adjustments		1,703	-	-	-
Adjustment to passport funding due to higher than expected number of passports issued in 2007-08		784	-	-	-
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing		(1,501)	(1,501)	(1,501)	(1,501)
Net impact on estimates for Outcome 2 (departmental)		1,910	639	982	999
Outcome 3					
Increase in estimates (departmental)					
Adjustment for domestic inflation in 2008-09		-	283	363	367
Adjustment of overseas inflation rebasing		435	435	435	435
Adjustment for within year forex adjustments		397	-	-	-
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing		(707)	(707)	(707)	(707)
Net impact on estimates for Outcome 3 (departmental)		125	11	91	95

Foreign exchange (forex) funding adjustments

The Government's forex risk management policy operates on a "no win, no loss" basis, such that DFAT's departmental funding is adjusted for losses or gains due to fluctuations in foreign exchange rates. Adjustments are based on the revised Budget Exchange Rates (BER) issued by the Department of Finance and Deregulation.

Within this policy framework there are two types of funding adjustments:

- **Between year forex rebasing** maintains the foreign currency spending power by adjusting the department's funding for movements in the BER from one year to the next. For example, if the BER falls, funding is increased, whereas funding is reduced when the BER rises between years.
- **Within year forex adjustments** adjust the department's funding for the difference between the BER and the actual exchange rate of the transaction. For example, if the actual exchange rate is less than the BER, funding is increased whereas funding is reduced when the actual exchange rate is greater than the BER.

Passports funding adjustments

Under the passport funding agreement the actual level of funding for DFAT is adjusted at Additional Estimates each year for actual total passports issued in the previous year. Funding is also adjusted to reflect updated passport projections for the current year.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for DFAT through Appropriation Bills No.3 and No.4.

Table 1.5: Appropriation Bill (No. 3) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
ADMINISTERED ITEMS					
Outcome 1					
Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global co-operation	230,380	272,398	290,428	18,030	
Outcome 2					
Australians informed about and provided access to consular and passport services in Australia and overseas	500	500	500	-	
Outcome 3					
Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally	28,278	33,572	61,572	28,000	
Total	259,158	306,470	352,500	46,030	
DEPARTMENTAL OUTPUTS					
Outcome 1					
Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global co-operation	533,988	522,094	538,150	16,056	
Outcome 2					
Australians informed about and provided access to consular and passport services in Australia and overseas	229,209	244,015	245,188	1,173	
Outcome 3					
Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally	53,563	55,826	55,973	147	
Total	816,760	821,935	839,311	17,376	
Total administered and departmental	1,075,918	1,128,405	1,191,811	63,406	

Note 1: 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + Advances from the Finance Minister
- Savings - Rephasings - Other Reductions +/- Section 32*

Table 1.6: Appropriation Bill (No. 4) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
Non-operating					
Equity injections	11,632	27,745	36,441	8,696	
Loans	-	-	-	-	
Previous year's outputs	11,100	7,851	10,588	2,737	
Administered assets and liabilities	-	-	-	-	
Total non-operating	22,732	35,596	47,029	11,433	
Department of Foreign Affairs and Trade					
Total	22,732	35,596	47,029	11,433	

Note 1: 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

Budget Appropriation + Additional Estimates Appropriation + Advances from the Finance Minister

- Savings - Rephasings - Other Reductions +/- Section 32

Section 2: Revisions to agency outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

OUTCOME 1: AUSTRALIA'S NATIONAL INTERESTS PROTECTED AND ADVANCED THROUGH CONTRIBUTIONS TO INTERNATIONAL SECURITY, NATIONAL ECONOMIC AND TRADE PERFORMANCE AND GLOBAL COOPERATION

Outcome 1 Strategy

There is no change to DFAT's Outcome Strategy as expressed in the *2008-09 Portfolio Budget Statements*. As noted in the department's update to its *Strategic Directions*, the additional measures being funded through Additional Estimates are aimed at enhancing Australia's security and promoting a more stable regional and global security environment, contributing to national prosperity, and strengthening global cooperation in such areas as the environment and governance.

The Government will provide funding for the initial regional consultations phase in 2008-09 of the proposal for a possible **Asia-Pacific Community**.

The Government will provide funding for the establishment of a resident Ambassador to the **Holy See**.

The Government will contribute to the initial regional **Bali Democracy Forum** meeting to be held in Bali in late 2008, to be co-chaired by Indonesia and Australia.

In response to increased security threats in Fiji and Pakistan, the Government will provide funding to **improve security** for staff at the **Australian High Commissions** in **Suva** and **Islamabad**.

The Government will provide funding to establish the **International Commission on Nuclear Non-proliferation and Disarmament** and to support future meetings and outreach during 2008-09.

The Government will provide funding to progress its **Pacific Engagement Strategy**. The department will negotiate and implement Partnerships for Development with Pacific island countries and negotiate intergovernmental arrangements to underpin the **Pacific Seasonal Worker Pilot Scheme**.

The Government will fund outreach activities by the **Special Envoy for Whale Conservation**, as well as outreach in support of the Australian-led **non-lethal whale**

research partnership in the southern ocean and Australian proposals to reform the International Whaling Commission into a conservation-focused organisation.

The Government will support 2008-09 efforts to promote Australia's candidacy for a non-permanent seat on the **United Nations Security Council** for the 2013-14 term.

Table 2.1: Performance information for outputs affected by additional estimates — Outcome 1

Output Group 1.1: Protection and advocacy of Australia's international interests through the provision of policy advice to ministers and overseas diplomatic activity	
Key Performance Indicators	2008-09 Target
Enhancement of Australia's security through contributions to national, regional and international efforts to promote a more stable regional and global security environment.	Strengthen non-proliferation regimes by enhancing Australia's role in international non-proliferation and disarmament efforts, including through the International Commission on Nuclear Non-proliferation and Disarmament.
Enhancement of engagement with the Asia-Pacific Region.	Conclusion of consultations by the Special Envoy and finalisation of initial report to Government on the prospects for an Asia-Pacific Community.
Promotion of outcomes on global environmental issues consistent with Australian policy positions.	Maintain high-level pressure on whaling nations and promote whale conservation, including by supporting the Special Envoy for Whale Conservation.

OUTCOME 2: AUSTRALIANS INFORMED ABOUT AND PROVIDED ACCESS TO CONSULAR AND PASSPORT SERVICES IN AUSTRALIA AND OVERSEAS

Outcome 2 Strategy

There is no change to DFAT's Outcome Strategy as expressed in the *2008-09 Portfolio Budget Statements*.

OUTCOME 3: PUBLIC UNDERSTANDING IN AUSTRALIA AND OVERSEAS OF AUSTRALIA'S FOREIGN AND TRADE POLICY AND A POSITIVE IMAGE OF AUSTRALIA INTERNATIONALLY

Outcome 3 Strategy

There is no change to DFAT's Outcome Strategy as expressed in the *2008-09 Portfolio Budget Statements*.

The Government will provide additional administered funding to meet the ongoing construction and operational costs associated with Australia's pavilion at the **Shanghai World Expo 2010**. The pavilion will showcase Australian business expertise, culture and values to the strategically important and rapidly expanding China market and to a wider global audience.

OUTCOME 4: EFFICIENT MANAGEMENT OF THE COMMONWEALTH OVERSEAS OWNED ESTATE

Outcome 4 Strategy

There is no change to DFAT's Outcome Strategy as expressed in the *2008-09 Portfolio Budget Statements*.

The Government will purchase land in Kabul for a purpose-built Australian embassy. The site will meet Australia's security and operational requirements. The decision reflects the Government's commitment to long-term diplomatic engagement in Afghanistan.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by DFAT. The corresponding table in the *2008-09 Portfolio Budget Statements* is Table 3.1.3.

Table 3.1.1: Estimates of special account flows

		Opening balance 2008-09 2007-08	Receipts 2008-09 2007-08	Payments 2008-09 2007-08	Adjustments 2008-09 2007-08	Closing balance 2008-09 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australia-China Council Special Account - FMA Act 1997 s20 (A)	3	66	-	66	-	-
		38	831	803	-	66
Australia-France Endowment Special Account - FMA Act 1997 s20 (A)	1	5	-	5	-	-
		7	53	55	-	5
Australia-India Special Account - FMA Act 1997 s20 (A)	3	87	-	87	-	-
		308	794	1,015	-	87
Australia-Indonesia Institute Special Account - FMA Act 1997 s20 (A)	3	34	350	384	-	-
		59	1,452	1,477	-	34
Australia-Korea Foundation Special Account - FMA Act 1997 s20 (A)	3	111	-	111	-	-
		3	811	703	-	111
Consular Services Special Account - FMA Act 1997 s20 (A)	2	46	200	246	-	-
		42	170	166	-	46

Table 3.1.1: Estimates of special account flows (continued)

		Opening balance 2008-09 2007-08	Receipts 2008-09 2007-08	Payments 2008-09 2007-08	Adjustments 2008-09 2007-08	Closing balance 2008-09 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australia-Japan Foundation Special Account - FMA Act 1997 s20 (A)	3	615	-	615	-	-
		956	1,091	1,432	-	615
Expositions Special Accounts - FMA Act 1997 s20 (A)	3	54	38,000	38,054	-	-
		-	1,616	1,562	-	54
Services for Other Governments & Non-Agency Bodies Account - FMA Act 1997 s20 (A)	1,2,3	3,379	5,000	8,379	-	-
		1,392	5,804	3,817	-	3,379
Other Trust Monies Account - FMA Act 1997 s20 (A)	1,2,3	214	200	414	-	-
		305	2,735	2,826	-	214
Administered Payments and Receipts for Other Entities Special Account - FMA Act 1997 s20 (A)	1,2,3	5,000	230,000	230,000	-	5,000
		5,000	163,210	163,210	-	5,000
Overseas Property Account - Finance Determination 2002-01 (D)	4	214,613	183,746	200,683	-	197,676
		190,826	175,058	151,271	-	214,613
Name of account (D)						
Total special accounts						
2008-09 Budget estimate		224,224	457,496	479,044	-	202,676
Total special accounts						
2007-08 actual		198,936	353,625	328,337	-	224,224

(A) = Administered

(D) = Departmental

3.1.2 Estimates of variations to Average Staffing Level

Changes in Average Staffing Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in agency Portfolio Budget Statements in each Outcome Resourcing Table.

Table 3.1.2: Average Staffing Level (ASL)

	2008-09 Budget	2008-09 Revised	Variation
Outcome 1 Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global cooperation	2,033	2,059	26
Outcome 2 Australians informed about and provided access to consular and passport services in Australia and overseas	949	954	5
Outcome 3 Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally	465	466	1
Outcome 4 Efficient management of the Commonwealth overseas owned estate	28	28	0
Total	3,475	3,507	32

The ASL is expressed as Full Time Equivalent (FTE) staff. Table 3.1.2 shows total estimated FTE movement. The department uses an activity-based costing model to allocate resources to outcomes.

There is an estimated overall increase of 32 staff between the 2008-09 Budget and the Revised Estimates. This is due primarily to additional staff engaged to take forward new policy proposals being funded through Additional Estimates, and conversion of contractors to Australian Public Service staff.

The 2008-09 Budget figures of 3,475 ASL comprised 2,008 Australia-based (A-based) staff and 1,467 locally-engaged staff (LES). The 2008-09 revised estimate comprises 2,040 A-based staff and 1,467 LES.

3.1.3 Departmental capital budget statement

Table 3.1.3 shows any substantial balance sheet or investment programs that are integral to the achievement of government outcomes.

Table 3.1.3: Departmental capital budget statement

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	11,632	36,441	27,367	29,117	28,460
Appropriation of Previous Year Accrued Revenue	11,100	10,588	-	-	-
Total capital appropriations	22,732	47,029	27,367	29,117	28,460
Represented by:					
Purchase of non-financial assets	11,632	36,441	27,367	29,117	28,460
Other	11,100	10,588	-	-	-
Total represented by	22,732	47,029	27,367	29,117	28,460
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	11,632	36,441	27,367	29,117	28,460
Funded internally by Departmental resources	168,326	94,349	48,637	151,876	138,424
Total	179,958	130,790	76,004	180,993	166,884

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Budget Departmental Income Statement

The department will receive additional appropriation funding of \$17.4 million (excluding capital funding) in 2008-09. This comprises funding of \$14.6 million for new measures and an additional \$2.8 million in other adjustments, primarily relating to foreign exchange, overseas and domestic inflation.

Overall, the department is forecasting a surplus of \$92.7 million in 2008-09, all of which relates to the Overseas Property Office (OPO). The overall DFAT budget position, excluding the OPO Special Account, is breakeven.

Budgeted Departmental Balance Sheet

The department will receive additional equity injections totalling \$8.7 million for funding of capital works as a result of new measures and will receive \$2.7 million for adjustments to previous years' outputs. The latter amount relates to adjustments for increased passport production in 2007-08 and VAT supplementation in 2007-08.

For 2008-09, the department's non financial asset position is budgeted to be \$2,136.8 million at year-end. The major asset component is \$1,886.7 million for Land and Buildings which includes \$1,741.5 million held in the OPO Special Account. This includes \$19.4 million for the purchase of land for a new Australian embassy in Kabul.

3.2.2 Budgeted financial statements

Departmental financial statements

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	827,836	839,311	820,878	810,795	820,404
Goods and services	107,866	97,151	86,006	89,017	90,428
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Other	3,840	1,100	1,521	1,911	1,780
Total revenue	939,542	937,562	908,405	901,723	912,612
Gains					
Net foreign exchange gains	32	-	-	-	-
Reversals of previous asset write-downs	-	-	-	-	-
Net gains from sale of assets	-	6,000	-	-	-
Other	3,960	390	390	390	391
Total gains	3,992	6,390	390	390	391
Total income	943,534	943,952	908,795	902,113	913,003
EXPENSE					
Employees	347,949	381,985	383,407	384,418	384,441
Suppliers	381,813	381,593	391,116	367,453	368,952
Grants	1,753	900	900	900	900
Subsidies					
Depreciation and amortisation	69,119	79,727	80,813	93,262	98,260
Finance costs	648	624	457	400	300
Write-down of assets and impairment of assets	442	3,360	-	-	-
Net losses from sale of assets	3,757	996	4	-	-
Net foreign exchange losses	-	-	-	-	-
Other	48	2,095	1,498	1,483	1,476
Total expenses	805,529	851,280	858,195	847,916	854,329
Share of operating results of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Operating result before Income Tax	138,005	92,672	50,600	54,197	58,674
Income Tax expense					
Net operating result	138,005	92,672	50,600	54,197	58,674

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June – continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
Operating result from continuing operations	138,005	92,672	50,600	54,197	58,674
Operating result from discontinued operations	-	-	-	-	-
Gain (loss) on remeasuring discontinued operations	-	-	-	-	-
Operating result					
Minority interest in net surplus or (deficit)	-	-	-	-	-
Net surplus or (deficit) attributable to the Australian Government	138,005	92,672	50,600	54,197	58,674

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual	Revised	Forward	Forward	Forward
	2007-08	budget	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	30,712	37,642	42,297	43,699	45,072
Receivables	533,113	522,797	602,580	553,527	468,298
Investments accounted for under the equity method	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other investments	-	-	-	-	-
Tax assets	-	-	-	-	-
Accrued revenues	10,967	10,967	10,967	10,967	10,967
Other financial assets	-	-	-	-	-
Total financial assets	574,792	571,406	655,844	608,193	524,337
Non-financial assets					
Land and buildings	1,789,208	1,886,712	1,924,472	1,986,485	2,037,418
Infrastructure, plant and equipment	117,211	134,310	134,094	149,088	171,235
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	15,539	15,539	15,539	15,539	15,539
Intangibles	7,003	7,790	6,417	7,374	5,677
Deferred tax asset	-	-	-	-	-
Biological assets	-	-	-	-	-
Assets held for sale	2,867	-	-	-	-
Other non-financial assets	100,973	92,412	89,982	133,225	235,591
Total non-financial assets	2,032,801	2,136,763	2,170,504	2,291,711	2,465,460
Total assets	2,607,593	2,708,169	2,826,348	2,899,904	2,989,797
LIABILITIES					
Payables					
Suppliers	71,356	71,347	61,541	61,531	61,531
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Financing costs	-	-	-	-	-
Tax liabilities	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other payables	16,886	17,593	18,135	18,135	18,135
Total payables	88,242	88,940	79,676	79,666	79,666

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June – continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	1,459	648	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	1,459	648	-	-	-
Provisions					
Employees	115,598	115,642	115,783	115,802	115,802
Other provisions	18,406	18,406	18,406	18,406	18,406
Total provisions	134,004	134,048	134,189	134,208	134,208
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	223,705	223,636	213,865	213,874	213,874
EQUITY*					
Parent entity interest					
Contributed equity	1,493,523	1,531,842	1,559,210	1,588,327	1,616,787
Reserves	434,930	527,962	578,037	568,270	571,029
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	455,435	424,729	475,236	529,433	588,107
Total parent entity interest	2,383,888	2,484,533	2,612,483	2,686,030	2,775,923
Minority interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total minority interest	-	-	-	-	-
Total equity	2,383,888	2,484,533	2,612,483	2,686,030	2,775,923
Current assets	604,498	586,945	671,383	623,732	539,876
Non-current assets	2,003,095	2,121,224	2,154,965	2,276,172	2,449,921
Current liabilities	201,902	187,637	177,324	177,333	177,333
Non-current liabilities	21,803	35,999	36,541	36,541	36,541

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	92,221	96,443	85,465	89,017	90,428
Appropriations	812,927	832,671	783,437	800,771	813,649
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Net GST received	21,670	19,362	19,362	19,362	19,362
Other cash received	-	1,116	1,931	1,931	1,780
Total cash received	926,818	949,592	890,195	911,081	925,219
Cash used					
Employees	342,530	384,478	385,108	386,811	385,183
Suppliers	414,446	380,075	375,577	368,105	367,819
Grants	-	900	900	900	900
Financing costs	-	20	20	400	300
Net GST paid	-	19,362	19,362	19,362	19,362
Other cash used	1,753	2,115	1,518	1,483	1,476
Cash transferred to the OPA	21,860	-	-	-	-
Total cash used	780,589	786,950	782,485	777,061	775,040
Net cash from or (used by) operating activities	146,229	162,642	107,710	134,020	150,179
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	12,254	33,731	4,596	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other cash received	-	-	-	-	-
Total cash received	12,254	33,731	4,596		

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June – continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
Cash used					
Purchase of property, plant and equipment	172,937	96,269	64,911	146,848	126,552
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other cash used	1,999	23,001	31,415	77,388	142,698
Total cash used	174,936	119,270	96,326	224,236	269,250
Net cash from or (used by) investing activities	(162,682)	(85,539)	(91,730)	(224,236)	(269,250)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	35,589	36,440	27,368	29,117	28,460
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other cash received	-	14,886	(38,600)	62,501	91,984
Total cash received	35,589	51,326	(11,232)	91,618	120,444
Cash used					
Repayments of debt (including finance lease principal)	-	-	-	-	-
Dividends paid	25,000	90,644	-	-	-
Other cash used	12,543	30,855	93	-	-
Total cash used	37,543	121,499	93	-	-
Net cash from or (used by) financing activities	(1,954)	(70,173)	(11,325)	91,618	120,444
Net increase or (decrease) in cash held	(18,407)	6,930	4,655	1,402	1,373
Cash at the beginning of the reporting period	49,088	30,712	37,642	42,297	43,699
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
	31	-	-	-	-
Cash at the end of the reporting period	30,712	37,642	42,297	43,699	45,072

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	455,435	434,930	-	1,493,523	2,383,888
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	455,435	434,930	-	1,493,523	2,383,888
Income and expense					
Income and expenses recognised directly in equity:	-	-	-	-	-
Gain/loss on revaluation of property	-	93,032	-	-	93,032
Sub-total income and expense recognised directly in equity	-	93,032	-	-	93,032
Net operating result	92,672	-	-	-	92,672
Total income and expenses	92,672	93,032	-	-	185,704
Transactions with owners					
<i>Distributions to owners</i>					
Returns on capital					
Dividends	(92,523)	-	-	-	(92,523)
Returns of capital					
Restructuring	-	-	-	-	-
Other:	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	36,440	36,440
Other Movements	-	-	-	1,879	1,879
<i>Amount(to)/from OPA - Agency</i>					
Cash transfers to the OPA	(30,855)	-	-	-	(30,855)
Sub-total transactions with owners	(123,378)	-	-	38,319	(85,059)
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2009	424,729	527,962	-	1,531,842	2,484,533

Prepared on Australian Accounting Standards basis.

Schedule of administered activity

Details of transactions administered by the department on behalf of the Commonwealth are outlined in the following schedules to the financial statements:

Schedule of budgeted income and expenses administered on behalf of government

This schedule identifies the main revenues and expenses administered on behalf of government.

Administered revenues have been budgeted at \$336.7 million in 2008-09. Total revenue is estimated to decrease by \$24.3 million since the *2008-09 Portfolio Budget Statements*. The estimated revenue has been affected by the rephasing of estimated sponsorship funding for Australia's participation in the Shanghai World Expo. The department also forecasts a reduction in passport revenue of \$6.3 million from 2008-09 Budget estimates. Increases in administered revenue are forecast for the dividend (\$1.8 million) and rating fees and premiums (\$0.8 million) received from the Export Finance and Insurance Corporation (EFIC).

Total expenses administered on behalf of government are budgeted at \$354.0 million in 2008-09. Total estimated expenses have increased by \$24.4 million since the *2008-09 Portfolio Budget Statements*. Foreign exchange variations since the setting of the 2008-09 Budget have led to an increase in estimated payments to international organisations and peacekeeping operations totalling \$18.8 million (based on revised MYEFO exchange rates). Further, forecast Shanghai World Expo 2010 expenditure for 2008-09 has increased by \$6.0 million over the 2008-09 Budget, due to the changed timing of payments and not an overall increase in project cost.

Schedule of budgeted assets and liabilities administered on behalf of government

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

This statement has been revised since the publication of the *2008-09 Portfolio Budget Statements* to reflect the final actual closing balances in 2007-08, including fair value adjustments required under the new Australian Equivalents to International Financial Reporting Standards (AEIFRS).

Schedule of budgeted administered cash flows

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

‘Administered cash received’ moves in line with the administered revenue, with the exception of AEIFRS-related fair value revenue which has no cash impact, and is returned to the Consolidated Revenue Fund. Total cash received is expected to decrease by \$20.2 million since the *2008-09 Portfolio Budget Statements*. This reflects the changes to estimated revenue from Shanghai World Expo sponsorship outlined above. Administered cash payments are expected to increase by \$27.0 million since the *2008-09 Portfolio Budget Statements*, reflecting the increased estimated payments to international organisations and peacekeeping operations and payments for ongoing construction and operational costs for Shanghai World Expo 2010.

‘Cash used’ moves according to estimated expenses incurred on behalf of the Government, with the exception of AEIFRS fair value-related expenses which have no cash impact. All cash used for DFAT Administered payments in 2008-09 is funded by an annual appropriation.

Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Total taxation	-	-	-	-	-
Non-taxation					
Goods and services	279,151	308,772	327,599	346,375	365,718
Interest	7,689	8,005	7,405	6,805	6,005
Dividends	20,364	9,850	10,950	11,250	12,650
Other sources of non-taxation revenues	16,531	10,120	9,441	18,831	8,216
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Total non-taxation	323,735	336,747	355,395	383,261	392,589
Total revenues administered on behalf of Government	323,735	336,747	355,395	383,261	392,589
Gains					
Net foreign exchange gains	6,280	-	-	-	-
Net gains from sale of assets	-	-	-	-	-
Other gains	-	-	-	-	-
Total gains administered on behalf of Government	6,280	-	-	-	-
Total income administered on behalf of Government	330,015	336,747	355,395	383,261	392,589
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	213,389	282,685	273,955	274,678	274,678
Subsidies	-	-	-	-	-
Personal benefits	4,141	1,955	1,955	1,955	1,955
Employees	-	707	1,081	647	-
Suppliers	21,057	57,653	50,768	34,289	20,958
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	5,249	-	-	-	-
Interest	9,620	8,500	6,400	6,100	5,600
Other	5,528	2,500	2,100	1,400	1,300
Losses					
Net foreign exchange losses	-	-	-	-	-
Net loss from sale of assets	-	-	-	-	-
Other losses	-	-	-	-	-
Total expenses administered on behalf of Government	258,984	354,000	336,259	319,069	304,491

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents [this can include investments including s.39 FMA Act]	5,171	5,171	5,171	5,171	5,171
Receivables	14,067	12,667	12,767	12,456	12,656
Investments (s.39 FMA Act)	331,200	331,200	331,200	331,200	331,200
Accrued revenues	1,645	1,645	1,645	1,645	1,645
Other financial assets	-	-	-	-	-
Total financial assets	352,083	350,683	350,783	350,472	350,672
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Biological assets	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Other	5,759	5,759	5,759	5,759	5,759
Total non-financial assets	5,759	5,759	5,759	5,759	5,759
Total assets administered on behalf of Government	357,842	356,442	356,542	356,231	356,431
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Australian Government securities	-	-	-	-	-
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other	35,950	31,550	27,450	27,850	22,950
Total interest bearing liabilities	35,950	31,550	27,450	27,850	22,950
Provisions					
Employees	-	-	-	-	-
Taxation refunds provided	-	-	-	-	-
Australian currency on issue	-	-	-	-	-
Other provisions	30,011	30,011	30,011	30,011	30,011
Total provisions	30,011	30,011	30,011	30,011	30,011

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June – continued)

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2007-08	2008-09	2009-10	2010-11	2011-12
	\$'000	\$'000	\$'000	\$'000	\$'000
Payables					
Suppliers	948	948	948	948	948
Grants and subsidies	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Taxation refunds due	-	-	-	-	-
Other payables	30,259	27,607	25,439	23,539	21,939
Total payables	31,207	28,555	26,387	24,487	22,887
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of Government	97,168	90,116	83,848	82,348	75,848

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Sales of goods	281,226	308,772	327,599	346,375	365,718
Rendering of services	-	-	-	-	-
Interest	115	105	105	105	105
Dividends	20,364	9,850	10,950	11,250	12,650
Net GST received	2,029	5,589	4,883	3,248	1,935
Other	7,952	9,220	7,341	17,031	6,716
Total cash received	311,686	333,536	350,878	378,009	387,124
Cash used					
Borrowing costs	-	-	-	-	-
Employees	-	707	1,081	647	-
Grant payments	213,554	282,985	274,255	274,978	274,978
Interest paid	12,479	7,200	5,200	5,000	4,600
Subsidies paid	-	-	-	-	-
Personal benefits	1,890	1,955	1,955	1,955	1,955
Suppliers	20,428	57,653	50,768	34,289	20,958
Net GST paid	2,039	5,589	4,883	3,248	1,935
Other	1,940	2,500	1,900	1,400	1,300
Total cash used	252,330	358,589	340,042	321,517	305,726
Net cash from operating activities	59,356	(25,053)	10,836	56,492	81,398
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment and intangibles	-	-	-	-	-
Proceeds from sales of equity instruments	-	-	-	-	-
Proceeds from sales of investments	-	-	-	-	-
Repayments of advances	-	-	-	-	-
Transfers from other entities	-	-	-	-	-
Investments (s.39 FMA Act)	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June – continued)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
Cash used					
Purchase of property, plant and equipment and intangibles	-	-	-	-	-
Purchase of equity instruments	-	-	-	-	-
Advances and loans made	-	-	-	-	-
Transfers to other entities	-	-	-	-	-
Investments (s.39 FMA Act)	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	-	-	-	-	-
Cash from Official Public Account	247,878	353,000	335,159	308,269	303,791
Other	-	-	-	-	-
Total cash received	247,878	353,000	335,159	308,269	303,791
Cash used					
Net repayment of borrowings	-	-	-	-	-
Dividends paid	-	-	-	-	-
Cash to Official Public Account	307,250	327,947	345,995	364,761	385,189
Other	-	-	-	-	-
Total cash used	307,250	327,947	345,995	364,761	385,189
Net cash from financing activities	(59,372)	25,053	(10,836)	(56,492)	(81,398)
Net increase or (decrease) in cash held	(16)	-	-	-	-
Cash at beginning of reporting period	5,187	5,171	5,171	5,171	5,171
Cash from Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
Transfers from other entities (Finance - Whole of Government)	-	-	-	-	-
Cash to Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
Transfers to other entities (Finance - Whole of Government)	-	-	-	-	-
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
Cash at end of reporting period	5,171	5,171	5,171	5,171	5,171

Notes to the financial statements

Departmental Financial Statements and Schedule of Administered Activity

Under the Australian Government's accrual-based 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 Australian Government's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's funding for outputs from agencies;
- Departmental capital appropriations: for investments by the Government for either additional equity or loans to 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).

Administered investments in controlled entities

The department has one administered investment in the Export Finance and Insurance Corporation (EFIC) with an estimated asset value of \$331.2 million as at 30 June 2008.

Asset Valuation

In accordance with current Australian accounting standards and the Finance Minister's Orders, the department's assets are carried at fair value.

AUSTRALIAN TRADE COMMISSION (AUSTRADE)

Section 1: Agency overview and resources.....	53
1.1 Strategic direction.....	53
1.2 Agency resource statement.....	53
1.3 Agency measures table	55
1.4 Additional estimates and variations	56
1.5 Breakdown of additional estimates by appropriation bill	57
Section 2: Revisions to agency outcomes and planned performance.....	58
2.1 Outcomes and performance information	58
Section 3: Explanatory tables and budgeted financial statements	59
3.1 Explanatory tables	59
3.2 Budgeted financial statements	61

AUSTRALIAN TRADE COMMISSION

Section 1: Agency overview and resources

Austrade's role, operating framework, outcomes and outputs as reported in the *Portfolio Budget Statements 2008-09* remain unchanged as a result of Additional Estimates.

Total resourcing for Austrade has decreased by \$2.3 million since the 2008-09 Budget. The reduction is due to foreign exchange rate variations (\$3.4 million) offset by an increase in onshore and offshore inflation (\$1.1 million).

1.1 STRATEGIC DIRECTION

Austrade's role, outcome, output groups, administered items or outputs remain unchanged as reported in the *Portfolio Budget Statements 2008-09* as a result of Additional Estimates.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for Austrade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

Table 1.1: Austrade resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008

	Estimate as at Budget ⁺	Proposed Additional Estimates ⁼	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Ordinary Annual Services				
Departmental outputs				
Departmental outputs	197,537	(2,329) ¹	195,208	170,090
s31 Relevant agency receipts	28,329	-	28,329	34,467
Total	225,866	(2,329)	223,537	204,557
Administered expenses				
Outcome 1	150,400	-	150,400	160,883
Total	150,400	-	150,400	160,883
Total ordinary annual services	A 376,266	(2,329)	373,937	365,440
Other services				
Administered expenses				
Specific payments to States, Act, NT and local government				
Total				
New administered expenses				
Total				
Departmental non-operating				
Equity injections	12,213	-	12,213	3,509
Previous years' outputs	-	-	-	-
Total	12,213	-	12,213	3,509
Administered non-operating				
Total				
Total other services	B 12,213	-	12,213	3,509
Total Available Annual Appropriations	388,479	(2,329)	386,150	368,949
Special Appropriations				
Special Appropriations limited by criteria/entitlement				
Special Appropriations limited by amount				
Total Special Appropriations	C -	-	-	-
Total Appropriations excluding Special Accounts	388,479	(2,329)	386,150	368,949
Special Accounts				
Total Special Account	D -	-	-	-
Total resourcing				
Total net resourcing for Austrade	388,479	(2,329)	386,150	368,949

¹ Appropriation Bill (No.3) 2008-09

Note: Estimate as at Budget includes estimations of appropriations carried forward from prior years and available for use in 2008-09.

1.3 AGENCY MEASURES TABLE

Budget measures relating to Austrade are detailed in Table 1.2, which provides a summary of government measures and identifies the relevant output groups associated with each measure.

Table 1.2: Agency 2008-09 Budget measures

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Revenue measures		-	-	-	-
Expense measures					
Automotive Market Access Program (AMAP)	1.1				
Administered expense		-	-	-	-
Departmental outputs		-	1,290	1,196	1,208
Total		-	1,290	1,196	1,208
Total expense measures					
Departmental		-	1,290	1,196	1,208
Total		-	1,290	1,196	1,208
Capital measures		-	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Austrade at Additional Estimates, by outcomes.

Table 1.3 provides a summary of government measures and identifies the relevant output groups associated with each measure.

Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (departmental)					
Automotive Market Access Program (AMAP)	1.1	-	1,290	1,196	1,208
Net impact on estimates for Outcome 1 (departmental)		-	1,290	1,196	1,208

Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.4: Additional estimates and variations to outcomes from other variations

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (departmental)					
Price Deflators	1	1,001	1,146	1,387	1,555
Decrease in estimates (departmental)					
Forex Adjustment	1				
within year (2008-09)	1	311	-	-	-
between years	1	(3,525)	(3,525)	(3,525)	(3,525)
Net impact on estimates for Outcome 1 (departmental)		(2,213)	(2,379)	(2,138)	(1,969)
Outcome 2					
Increase in estimates (departmental)					
Price Deflators	1	54	60	73	82
Decrease in estimates (departmental)					
Forex Adjustment	1				
within year (2008-09)	1	16			
between years	1	(186)	(186)	(186)	(186)
Net impact on estimates for Outcome 2 (departmental)		(116)	(125)	(113)	(104)

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for Austrade through Appropriation Bills No.3 and No.4.

Table 1.5: Appropriation Bill (No. 3) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
ADMINISTERED ITEMS					
Outcome 1 - Output Group 1.2					
Trade Development Schemes (Export Market Development Grants)	160,883	150,400	150,400	-	-
Total	160,883	150,400	150,400	-	-
DEPARTMENTAL OUTPUTS					
Outcome 1					
Australians succeeding in international business with widespread community support	160,523	170,729	168,516	-	(2,213)
Outcome 2					
Australians informed about and provided access to consular, passport and immigration services in specific locations overseas.	9,567	9,668	9,552	-	(116)
Total	170,090	180,397	178,068	-	(2,329)
Total administered and departmental	330,973	330,797	328,468	-	(2,329)

Note 1: 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + AFM - Savings
- Rephasings - Other Reductions +/- Section 32*

Section 2: Revisions to agency outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

The outcomes and outputs framework for Austrade remains unchanged to that reported in the *Portfolio Budget Statements 2008-09*. However, an overall decrease to resources since the 2008-09 Budget has changed the price of outputs.

OUTCOME 1: AUSTRALIANS SUCCEEDING IN INTERNATIONAL BUSINESS WITH WIDESPREAD COMMUNITY SUPPORT

Outcome 1 Strategy

There is an overall decrease in Departmental resources of \$2.2 million for Outcome 1 – Output 1.1. The reduction is due to foreign exchange rate variations (\$3.2 million) offset by an increase in onshore and offshore inflation (\$1.0 million).

Other than the changes to the price of Output 1.1, the performance information for Austrade remains unchanged to that reported in the *2008-09 Portfolio Budget Statements*.

OUTCOME 2: AUSTRALIANS INFORMED ABOUT AND PROVIDED ACCESS TO CONSULAR, PASSPORT AND IMMIGRATION SERVICES IN SPECIFIC LOCATIONS OVERSEAS

Outcome 2 Strategy

There is an overall decrease in Departmental resources of \$0.11 million for Outcome 2–Output 2.1 due to the foreign exchange rate variations.

Other than the changes to the price of Output 2.1, the performance information for Austrade remains unchanged to that reported in the *2008-09 Portfolio Budget Statements*.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.4 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by Austrade.

Table 3.1.1: Estimates of special account flows

		Opening balance 2008-09 2007-08	Receipts 2008-09 2007-08	Payments 2008-09 2007-08	Adjustments 2008-09 2007-08	Closing balance 2008-09 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Admin Payments and Receipts for Other Entities Special Account (A)	2	100	9,000	9,000	-	100
		100	9,038	9,038	-	100
Other Trust Moneys Special Account (D)	1	54	700	700	-	54
		77	650	673	-	54
Total special accounts 2008-09 Budget estimate		154	9,700	9,700	-	154
Total special accounts 2007-08 estimate actual		177	9,688	9,711	-	154

(A) = Administered

(D) = Departmental

3.1.5 Estimates of variations to Average Staffing Level

There is no change to the Average Staffing Level (ASL) since the 2008-09 Budget.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

An analysis of Austrade's budgeted financial statements, as reflected in the Departmental financial statements and Administered schedules, is provided below.

3.2.2 Budgeted financial statements

Departmental financial statements

The Departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by Austrade. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by Austrade in undertaking its operations.

Budgeted departmental income statement

This statement provides actual financial results for 2007-08 and the estimated revenue and expenses for 2008-09 and forward years. Total income in 2008-09 is estimated to be \$206.4 million, a decrease of \$2.3 million from Budget. The reduction is due to foreign exchange rate variations (\$3.4 million) offset by an increase in onshore and offshore inflation (\$1.1 million).

Total expenses for 2008-09 have also decreased by \$2.3 million to reflect the reduction in revenue.

Budgeted departmental balance sheet

This statement discloses the estimated end of year financial position for Austrade.

Austrade's budgeted net asset position of \$53.8 million at 30 June 2009 represents a decrease of \$5.8 million from Budget due to the flow on effect of the 2007-08 actual result and the impact of absorbing the inward investment function and the Global Opportunities program on 1 July 2008.

Budgeted departmental statement of cash flows

This statement shows the extent and nature of cash flows as a result of Austrade's operating, investing and financing activities.

The Commission's cash balance at 30 June 2009 is estimated to be \$5.5 million.

Departmental statement of changes in equity — summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, assets revaluation and other reserves, and contributed equity.

Total equity at 30 June 2009 is estimated to be \$53.8 million, a decrease of \$5.8 million from Budget. This is primarily due to a deficit carried forward from the previous period and the revaluation of leasehold fixture and fittings.

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	170,090	178,068	180,194	181,203	182,766
Goods and services	31,019	24,852	24,852	24,852	24,852
Other	3,041	3,227	3,227	3,227	3,227
Total revenue	204,150	206,147	208,273	209,282	210,845
Gains					
Net foreign exchange gains	407	-	-	-	-
Net gains from sale of assets	-	250	250	250	250
Total gains	407	250	250	250	250
Total income	204,557	206,397	208,523	209,532	211,095
EXPENSE					
Employees	107,562	107,417	107,878	107,708	108,068
Suppliers	82,459	81,286	83,063	84,412	85,852
Depreciation and amortisation	16,304	17,294	17,182	17,012	16,775
impairment of assets	55	200	200	200	200
Net losses from sale of assets	6	200	200	200	200
Total expenses	206,386	206,397	208,523	209,532	211,095
Operating result before Income Tax	(1,829)	-	-	-	-
Income Tax expense	-	-	-	-	-
Net operating result	(1,829)	-	-	-	-
Net surplus or (deficit) attributable to the Australian Government	(1,829)	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,223	5,500	5,500	5,500	5,500
Receivables	40,063	28,651	29,708	31,820	34,095
Total financial assets	44,286	34,151	35,208	37,320	39,595
Non-financial assets					
Land and buildings	19,551	16,357	14,737	13,372	12,349
Infrastructure, plant and equipment	18,263	22,195	22,766	23,000	23,164
Intangibles	11,835	18,799	19,166	19,285	19,369
Other	7,715	7,715	7,715	7,715	7,715
Total non-financial assets	57,364	65,066	64,384	63,372	62,597
Total assets	101,650	99,217	99,592	100,692	102,192
LIABILITIES					
Payables					
Suppliers	13,119	12,301	11,483	11,483	11,483
Other payables	10,162	9,854	9,546	9,546	9,546
Total payables	23,281	22,155	21,029	21,029	21,029
Provisions					
Employees	24,675	23,255	24,756	26,256	27,756
Other provisions	30	30	30	30	30
Total provisions	24,705	23,285	24,786	26,286	27,786
Total liabilities	47,986	45,440	45,815	47,315	48,815
Net Assets	53,664	53,777	53,777	53,377	53,377
EQUITY*					
Parent entity interest					
Contributed equity	13,154	13,267	13,267	13,267	13,267
Reserves	57,212	57,212	57,212	56,812	56,812
Retained surpluses or accumulated deficits	(16,702)	(16,702)	(16,702)	(16,702)	(16,702)
Total parent entity interest	53,664	53,777	53,777	53,377	53,377
Total equity	53,664	53,777	53,777	53,377	53,377
Current assets	50,809	39,937	40,994	43,106	45,381
Non-current assets	50,841	59,280	58,598	57,586	56,811
Current liabilities	42,954	40,569	40,903	42,243	43,582
Non-current liabilities	5,032	4,871	4,912	5,072	5,233

*'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	30,346	24,852	24,852	24,852	24,852
Appropriations	168,283	189,480	179,137	179,091	180,491
Net GST received	5,124	5,664	5,629	5,705	5,716
Other cash received	3,638	3,227	3,227	3,227	3,227
Total cash received	207,391	223,223	212,845	212,875	214,286
Cash used					
Employees	103,356	108,723	106,377	106,208	106,568
Suppliers	83,727	82,526	84,189	84,412	85,852
Net GST paid	4,863	5,664	5,629	5,705	5,716
Total cash used	191,946	196,913	196,195	196,325	198,136
Net cash from or (used by) operating activities	15,445	26,310	16,650	16,550	16,150
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of PP&E and Intangibles	325	250	250	250	250
Total cash received	325	250	250	250	250
Cash used					
Purchase of PP&E and intangibles	17,971	25,396	16,900	16,400	16,400
Total cash used	17,971	25,396	16,900	16,400	16,400
Net cash from or (used by) investing activities	(17,646)	(25,146)	(16,650)	(16,150)	(16,150)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	3,509	113	-	-	-
Total cash received	3,509	113	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	3,509	113	-	-	-
Revaluations - Non-Financial Assets	-	-	-	-	-
Net increase or (decrease) in cash held	1,308	1,277	-	-	-
Cash at the beginning of the reporting period	2,915	4,223	5,500	5,500	5,500
Cash at the end of the reporting period	4,223	5,500	5,500	5,500	5,500

Prepared on Australian Accounting Standards basis

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	(16,702)	19,422	37,790	13,267	53,777
Adjustment for changes in accounting policies					
Adjusted opening balance	(16,702)	19,422	37,790	13,267	53,777
Income and expense					
Income and expenses recognised directly in equity:	-	-	-	-	-
Sub-total income and expense recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	113	113
Sub-total transactions with owners	-	-	-	113	113
Estimated closing balance as at 30 June 2009	(16,702)	19,422	37,790	13,380	53,890

Prepared on Australian Accounting Standards basis.

Schedule of administered activity

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

Schedule of budgeted income and expenses administered on behalf of Government

This schedule discloses the revenue and expenses administered on behalf of the Government.

Administered expenses of \$150.4 million for 2008-09 remains unchanged since the 2008-09 Budget. This is comprised of \$142.9 million in Grant expenditure and \$7.5 million in expenditure for the costs of administering the EMDG scheme on behalf of the Government.

Schedule of budgeted assets and liabilities administered on behalf of Government

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

Total administered assets and liabilities for 2008-09 are estimated at \$0.5 million and \$3.4 million respectively. The figures remain unchanged since the 2008-09 Budget.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the EMDG scheme.

Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Goods and services	1	-	-	-	-
Other sources of non-taxation revenues	1,038	-	-	-	-
Total non-taxation	1,039	-	-	-	-
Total revenues administered on behalf of Government	1,039	-	-	-	-
Total income administered on behalf of Government	1,039	-	-	-	-
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	152,021	142,880	190,380	142,880	142,880
Employees	6,504	5,350	6,350	5,350	5,350
Suppliers	2,358	2,170	3,670	2,170	2,170
Total expenses administered on behalf of Government	160,883	150,400	200,400	150,400	150,400

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	1	-	-	-	-
Receivables	1,547	532	532	532	532
Total financial assets	1,548	532	532	532	532
Total assets administered on behalf of Government	1,548	532	532	532	532
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Provisions					
Employees	1,930	1,799	1,799	1,799	1,799
Total provisions	1,930	1,799	1,799	1,799	1,799
Payables					
Suppliers	198	106	106	106	106
Grants	3,182	1,430	1,430	1,430	1,430
Other payables	122	90	90	90	90
Total payables	3,502	1,626	1,626	1,626	1,626
Total liabilities administered on behalf of Government	5,432	3,425	3,425	3,425	3,425

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	183	195	195	195	195
Other cash received	16	-	-	-	-
Total cash received	199	195	195	195	195
Cash used					
Employees	6,341	5,350	6,350	5,350	5,350
Suppliers	2,573	2,170	3,670	2,170	2,170
Grants	150,269	142,880	190,380	142,880	142,880
Net GST paid	-	195	195	195	195
Other cash used					
Total cash used	159,183	150,595	200,595	150,595	150,595
Net cash from or (used by) operating activities	(158,984)	(150,400)	(200,400)	(150,400)	(150,400)
INVESTING ACTIVITIES					
Net cash from or (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Net cash from or (used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held	(158,984)	(150,400)	(200,400)	(150,400)	(150,400)
Cash at the beginning of the reporting period	10	-	-	-	-
Cash from Official Public Account for:					
-Appropriations	159,200	150,400	200,400	150,400	150,400
Cash to Official Public Account for:					
-Other	(225)				
Cash at the end of the reporting period	1	-	-	-	-

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

Austrade's budgeted statements are prepared on an Australian Equivalents to International Financial Standards (AEIFRS) basis.

Under the Australian Government's accrual budgeting framework, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions that 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

Departmental assets, liabilities, revenues and expenses in relation to an agency or authority are those which 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

Administered items are revenues, expenses, assets and liabilities which 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.

AusAID

(AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT)

Section 1: Agency overview and resources.....	73
1.1 Strategic direction.....	73
1.2 Agency resource statement.....	73
1.3 Agency measures table.....	76
1.4 Additional estimates and variations.....	77
1.5 Breakdown of additional estimates by appropriation bill	78
Section 2: Revisions to agency outcomes and planned performance.....	79
2.1 Outcomes and performance information	79
Section 3: Explanatory tables and budgeted financial statements	80
3.1 Explanatory tables	80
3.2 Budgeted financial statements	82

AusAID

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

AusAID's role, strategic direction, outcomes and outputs as reported in the *Portfolio Budget Statements 2008-09* remain unchanged as a result of Additional Estimates.

Through the *2008-09 Portfolio Additional Estimates*, AusAID will receive an additional \$157.2 million to enable the Australian Government to implement the measures detailed in Table 1.2.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for AusAID at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

Table 1.1: AusAID resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008

	Estimate as at Budget ⁺	Proposed Additional Estimates ⁼	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Ordinary Annual Services				
Departmental outputs				
Departmental outputs	146,242	824 ¹	147,066	129,732
s31 Relevant agency receipts	231	- ³	231	
Total	146,473	824	147,297	129,732
Administered expenses				
Outcome 1	4,597,648	156,092 ¹	4,753,740	3,581,205
Outcome 2	4,386	-	4,386	4,492
Total	4,602,034	156,092	4,758,126	3,585,697
Total ordinary annual services	A 4,748,507	156,916	4,905,423	3,715,429
Other services				
Administered Revenue				
Outcome 1	17,883	-	17,883	
Total	17,883	-	17,883	
Departmental non-operating				
Equity injections	1,520	302 ²	1,822	
Previous years' outputs	-			
Total	1,520	302	1,822	
Administered non-operating				
Administered Assets and Liabilities	726,947	-	726,947	
Total	726,947	-	726,947	
Total other services	B 746,350	302	746,652	
Total Available Annual Appropriations	5,494,857	157,218	5,652,075	3,715,429
Special Appropriations	-	-	-	-
Special Appropriations limited by criteria/entitlement	-	-	-	-
Total Special Appropriations	C -	-	-	-
Total Appropriations excluding Special Accounts	5,494,857	157,218	5,652,075	3,715,429

Table 1.1: AusAID resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008 (continued)

	Estimate as at Budget ⁺	Proposed Additional Estimates ⁼	Total Estimate at Additional Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Special Accounts				
Opening balance ⁴	516,941	-	516,941	731,043
Appropriation Receipts ⁵		-	-	
Non-Appropriation receipts to Special Accounts	10,000	-	10,000	4,215
Total Special Account	D 526,941	-	526,941	735,258
Total resourcing				
A+B+C+D				
Less appropriations drawn from annual or special appropriations above and credited to special accounts				
Total net resourcing for AusAID			6,179,016	4,450,687

1. Appropriation Bill (No.3) 2008-09.

2. Appropriation Bill (No.4) 2008-09.

3. Total s31 Relevant Agency receipts — estimate.

4. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.1.

5. Estimated appropriation receipts to special accounts. For further detail on special accounts see Table 3.1.1.

Note 1: All figures are GST exclusive.

Note 2: Estimate as at Budget includes estimations of appropriations carried forward from prior years and available for use in 2008-09.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2008-09 Budget. The table is split into revenue, expense and capital measures, with the affected output identified.

Table 1.2: Agency Measures since Budget

	Outputs	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Expense measures					
World Bank Clean Technologies Fund - Australia's contribution					
Administered expense		100,000	-	-	-
World Bank Global Food Crisis Trust Fund - Australia's contribution					
Administered expense		50,000	-	-	-
Australia-Indonesia Facility for Disaster Reduction					
Administered expense		4,510	11,730	13,130	15,020
Departmental outputs	1.1 & 1.2	824	1,302	1,317	1,343
Deployable Civilian Capacity - policy framework					
Administered expense		1,582	-	-	-
Total		156,916	13,032	14,447	16,363
Total expense measures					
Administered		156,092	11,730	13,130	15,020
Departmental		824	1,302	1,317	1,343
Total		156,916	13,032	14,447	16,363
Capital measures					
Australia-Indonesia Facility for Disaster Reduction					
Departmental capital	1.1 & 1.2	302	-	-	-
Total		302	-	-	-
Total capital measures					
Departmental		302	-	-	-
Total		302	-	-	-

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for AusAID at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors.

Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget

	Output Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (administered)					
World Bank Clean Technologies Fund - Australia's contribution		100,000			
World Bank Global Food Crisis Trust Fund - Australia's contribution		50,000			
Australia-Indonesia Facility for Disaster Reduction		4,510	11,730	13,130	15,020
Deployable Civilian Capacity - policy framework		1,582			
Net impact on estimates for Outcome 1 (administered)		156,092	11,730	13,130	15,020
Increase in estimates (departmental)					
Australia-Indonesia Facility for Disaster Reduction	1.1 & 1.2	1,126	1,302	1,317	1,343
Net impact on estimates for Outcome 1 (departmental)		1,126	1,302	1,317	1,343

Table 1.4: Additional estimates and variations to outcomes from other variations

	Output Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (administered)					
Application of parameters		-	34,708	35,054	6,653
Net impact on estimates for Outcome 1 (administered)		-	34,708	35,054	6,653
Increase in estimates (departmental)					
Application of parameters	1.1 & 1.2	-	447	542	665
Net impact on estimates for Outcome 1 (departmental)		-	447	542	665

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for AusAID through Appropriation Bills No.3 and No.4.

Table 1.5: Appropriation Bill (No. 3) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
ADMINISTERED ITEMS					
Outcome 1					
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.	2,226,495	2,714,376	2,870,468	156,092	-
Total	2,226,495	2,714,376	2,870,468	156,092	-
DEPARTMENTAL OUTPUTS					
Outcome 1					
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.	101,976	122,912	123,736	824	-
Total	101,976	122,912	123,736	824	-
Total administered and departmental	2,328,471	2,837,288	2,994,204	156,916	-

Table 1.6: Appropriation Bill (No. 4) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
Non-operating					
Equity injections	2,093	1,520	1,822	302	-
Total non-operating					
AusAID	2,093	1,520	1,822	302	
Total	2,093	1,520	1,822	302	

Note: 2007-08 available appropriation is included in the above tables to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down and is equal to: *Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other Reductions*

Section 2: Revisions to agency outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

OUTCOME 1

Outcome 1 Strategy

AusAID's outcome 1 strategy, key performance indicators and targets as reported in the *Portfolio Budget Statements 2008-09* remain unchanged as a result of Additional Estimates.

OUTCOME 2

Outcome 2 Strategy

AusAID's outcome 2 strategy, key performance indicators and targets as reported in the *Portfolio Budget Statements 2008-09* remain unchanged as a result of Additional Estimates.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.4 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by AusAID. The corresponding table in the 2008-09 PB Statements is Table 3.1.3.

Table 3.1.1: Estimates of special account flows

		Opening balance 2008-09 2007-08	Receipts 2008-09 2007-08	Payments 2008-09 2007-08	Adjustments 2008-09 2007-08	Closing balance 2008-09 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments and Non-Agency Bodies (A) <i>Financial Management and Accountability Act 1997 s.20</i>	1	4,215 3,681	10,000 1,834	10,000 1,300	- -	4,215 4,215
Other Trust Moneys Account (D) <i>Financial Management and Accountability Act 1997 s.20</i>	1	- -	- -	- -	- -	- -
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A) <i>Financial Management and Accountability Act 1997 s.20</i>	2	165,141 288,290	- -	100,000 123,149	- -	65,141 165,141
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A) <i>Financial Management and Accountability Act 1997 s.20</i>	2	362,372 442,753	- -	126,495 80,381	- -	235,877 362,372
Total special accounts 2008-09 Budget estimate		531,728	10,000	236,495		305,233
Total special accounts 2007-08 estimate actual		734,724	1,834	204,830	-	531,728

(A) = Administered
(D) = Departmental

3.1.5 Estimates of variations to Average Staffing Level

Changes in Average Staff Level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole of agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in agency PB Statements in each Outcome Resourcing Table.

Table 3.1.2: Average Staffing Level (ASL)

	2008-09 Budget	2008-09 Revised	Variation
Outcome 1			
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.	575	620	45
Outcome 2			
Australia's national interest advanced by implementating a partnership between Australia and Indonesia for reconstruction and development	25	25	0
Total	600	645	45

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Departmental financial statements

These statements provide actual results for 2007-08 and the revised Budget for 2008-09 and forward years.

Budgeted departmental income statement

Total revenue in 2008-09 is estimated to be \$130.4 million which represents an increase of \$0.8 million from Budget. This is a result of the increased funding for the new measures outlined in Table 1.2. Total expenses for 2008-09 have also increased by \$0.8 million.

Budgeted departmental balance sheet

AusAID's budgeted net asset position of \$22.1 million represents an increase of \$1.8 million from the 2007-08 actual net asset position.

Budgeted departmental balance sheet

This statement shows the budgeted cash flows.

Budgeted statement of changes in equity – summary of movement

Total equity in 2008-09 is estimated to be \$20.9 million, an increase of \$1.8 million from the 2007- 08 actual.

Administered financial statements

Schedule of budgeted income and expenses administered on behalf of government

AusAID will receive additional administered appropriation of \$156.1 million in 2008-09 for implementation of the new measures outlined in Table 1.2.

Schedule of budgeted assets and liabilities administered on behalf of Government

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

Departmental financial statements

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	108,506	130,218	130,026	130,488	124,072
Goods and services	562	231	231	231	231
Total revenue	109,068	130,449	130,257	130,719	124,303
Gains					
Other	412	112	112	112	112
Total gains	412	112	112	112	112
Total income	109,480	130,561	130,369	130,831	124,415
EXPENSE					
Employees	66,023	84,991	83,560	83,270	78,899
Suppliers	37,158	40,087	41,126	41,878	39,833
Depreciation and amortisation	5,374	5,400	5,600	5,600	5,600
Finance costs	614	-	-	-	-
Write-down of assets and impairment of assets	55	83	83	83	83
Net losses from sale of assets	102	-	-	-	-
Total expenses	109,326	130,561	130,369	130,831	124,415
Net surplus or (deficit) attributable to the Australian Government	154	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,032	1,032	1,032	1,032	1,032
Receivables	14,622	19,153	18,901	18,949	17,580
Total financial assets	15,654	20,185	19,933	19,981	18,612
Non-financial assets					
Leasehold improvements	18,026	18,747	19,442	19,442	19,442
Infrastructure, plant and equipment	6,155	5,821	6,036	6,036	6,036
Intangibles	3,599	4,406	4,569	4,569	4,569
Other non-financial assets	2,515	4,075	4,075	4,075	4,075
Total non-financial assets	30,295	33,049	34,122	34,122	34,122
Total assets	45,949	53,234	54,055	54,103	52,734
LIABILITIES					
Payables					
Suppliers	3,186	6,277	6,440	6,558	6,237
Other payables	14	4,322	4,322	4,322	4,322
Total payables	3,200	10,599	10,762	10,880	10,559
Provisions					
Employees	17,810	20,398	20,054	19,985	18,936
Other provisions	4,617	-	-	-	-
Total provisions	22,427	20,398	20,054	19,985	18,936
Total liabilities	25,627	30,997	30,816	30,865	29,495
EQUITY*					
Parent entity interest					
Contributed equity	19,106	20,928	21,930	21,930	21,930
Reserves	374	374	374	374	374
Retained surpluses or accumulated deficits	842	842	842	842	842
Total parent entity interest	20,322	22,144	23,146	23,146	23,146
Total equity	20,322	22,144	23,146	23,146	23,146
Current assets	17,727	24,260	24,008	24,056	22,687
Non-current assets	28,222	28,974	30,047	30,047	30,047
Current liabilities	20,141	20,398	20,054	19,985	18,936
Non-current liabilities	5,486	10,599	10,762	10,880	10,559

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	495	231	231	231	231
Appropriations	114,400	122,743	129,276	130,440	125,441
Net GST received	2,913	2,913	2,913	2,913	2,913
Total cash received	117,808	125,887	132,420	133,584	128,585
Cash used					
Employees	64,272	82,653	83,903	83,340	79,948
Suppliers	43,280	38,058	40,963	41,760	40,153
Total cash used	107,552	120,711	124,866	125,100	120,101
Net cash from or (used by) operating activities	10,256	5,176	7,554	8,484	8,484
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	59	-	-	-	-
Total cash received	59	-	-	-	-
Cash used					
Purchase of leasehold improvements	7,043	-	-	-	-
Purchase of infrastructure, plant and equipment	3,119	5,104	6,056	5,985	5,985
Purchase of intangibles	41	-	-	-	-
Total cash used	10,203	5,104	6,056	5,985	5,985
Net cash from or (used by) investing activities	(10,144)	(5,104)	(6,056)	(5,985)	(5,985)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	1,822	1,002	-	-
Total cash received	-	1,822	1,002	-	-
Net cash from or (used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held	112	112	112	112	112
Cash at the beginning of the reporting period	920	1,032	1,032	1,032	1,032
Cash at the end of the reporting period	1,032	1,144	1,144	1,144	1,144

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	3,250	374	-	19,106	22,730
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	3,250	374	-	19,106	22,730
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,822	1,822
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	1,822	1,822
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2009	3,250	374	-	20,928	24,552

Prepared on Australian Accounting Standards basis.

Schedule of administered activity

Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Interest	1,028	1,831	3,446	4,913	-
Other sources of non-taxation revenue		18,432	4,538	4,811	5,099
Total non-taxation	1,028	20,263	7,984	9,724	5,099
Total revenues administered on behalf of Government	1,028	20,263	7,984	9,724	5,099
Gains					
Other gains	148,556	-	-	-	-
Total gains administered on behalf of Government	148,556	-	-	-	-
Total income administered on behalf of Government	149,584	20,263	7,984	9,724	5,099
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
IDA/ADF grants	88,700	83,195	-	78,751	-
Development assistance grants	365,822	547,165	295,830	274,424	331,666
Aid program	1,859,030	2,356,869	2,598,509	2,851,096	2,607,626
Concessional loan discount	68,783	107,522	97,750	97,539	-
Concessional investment discount	290,408	199,586	-	255,003	-
Net writedown & impairment of assets	118,809	-	-	-	-
Other Financing costs	17,222	-	-	-	-
Depreciation and amortisation	1,180	1,499	1,500	1,500	1,500
Total expenses administered on behalf of Government	2,809,954	3,295,836	2,993,589	3,558,313	2,940,792

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	5,751	5,751	5,751	5,751	5,751
AIPRD Loans Receivables	20,691	41,497	62,193	84,566	84,566
IDA/ADF Investments	1,124,622	1,178,423	1,178,423	1,238,422	1,238,422
Receivables	10,243	2,015,747	1,631,993	1,740,164	1,551,943
Total financial assets	1,161,307	3,241,418	2,878,360	3,068,903	2,880,682
Non-financial assets					
Leasehold improvements	262	262	262	262	262
Infrastructure, plant and equipment	2,307	2,307	2,307	2,307	2,307
Intangibles	1,930	1,930	1,930	1,930	1,930
Other	1,805	1,805	1,805	1,805	1,805
Total non-financial assets	6,304	6,304	6,304	6,304	6,304
Total assets administered on behalf of Government	1,167,611	3,247,722	2,884,664	3,075,207	2,886,986
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Liabilities					
IDA/ADF investments payable	482,125	1,009,454	875,592	1,028,204	847,292
Provisions					
Other provisions	8,306	8,194	8,194	8,194	8,194
Total provisions	490,431	1,017,648	883,786	1,036,398	855,486
Payables					
Suppliers	194,485	120,513	116,443	135,858	137,535
IDA/ADF grants payable	230,464	300,813	258,626	289,021	236,665
Development assistance program	84,547	372,772	260,355	173,180	161,516
Total payables	509,496	794,098	635,424	598,059	535,716
Total liabilities administered on behalf of Government	999,927	1,811,746	1,519,210	1,634,457	1,391,202

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Actual 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	52,250	75,280	84,436	92,828	86,830
Other	2,554	27,883	4,538	4,810	5,099
Total cash received	54,804	103,163	88,974	97,638	91,929
Cash used					
Grant payments	410,601	385,218	394,812	330,880	341,035
Development assistance program	1,836,897	2,615,761	2,881,654	2,909,093	2,589,959
Concessional finance costs	262,035	-	-	-	-
GST	54,875	76,390	85,168	93,524	86,221
Total cash used	2,564,408	3,077,369	3,361,634	3,333,497	3,017,215
Net cash from operating activities	(2,509,604)	(2,974,206)	(3,272,660)	(3,235,859)	(2,925,286)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment and intangibles	2,539	-	-	-	-
IDA/ADF Investments	-	93,917	131,699	160,331	169,667
Total cash received	2,539	93,917	131,699	160,331	169,667
Cash used					
Purchase of property, plant and equipment	2,482	2,482	2,482	2,482	2,482
IDA/ADF investments					
Purchase of concessional financial assets	65,306	-	-	-	-
Total cash used	67,788	2,482	2,482	2,482	2,482
Net cash from investing activities	(65,249)	91,435	129,217	157,849	167,185
FINANCING ACTIVITIES					
Cash received					
Cash from Capital injections	14,075	260,547	6,340	318,791	3,873
Net cash from financing activities	14,075	260,547	6,340	318,791	3,873
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	21,903	5,751	5,751	5,751	5,751
Cash from Official Public Account for:					
- appropriations	2,414,137	2,595,693	3,015,485	3,210,357	3,096,534
- special accounts	202,997	236,495	120,540	117,154	2,154
Cash to Official Public Account for:					
- appropriations	(5,829)	(17,883)	(4,538)	(4,810)	(5,099)
- GST	(52,604)	(75,280)	(84,436)	(93,524)	(86,221)
Cash at end of reporting period	5,751	5,751	5,751	5,751	5,751

Prepared on Australian Accounting Standards basis.

AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

Section 1: Agency overview and resources.....	93
1.1 Strategic direction.....	93
1.2 Agency resource statement.....	93
1.3 Agency measures table.....	95
1.4 Additional estimates and variations.....	96
1.5 Breakdown of additional estimates by appropriation bill	97
Section 2: Revisions to agency outcomes and planned performance.....	99
2.1 Outcomes and performance information	99
Section 3: Explanatory tables and budgeted financial statements	101
3.1 Explanatory tables	101
3.2 Budgeted financial statements	102

AUSTRALIAN SECRET INTELLIGENCE SERVICE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

There have been no changes to ASIS's role, outcomes, output groups, or outputs as advised in the *Portfolio Budget Statements 2008-09*.

Additional appropriations are as a result of Government's decision to increase funding for an Enhanced Intelligence Capacity.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for ASIS at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

Table 1.1: ASIS resource statement – Additional estimates for 2008-09 as at Additional Estimates December 2008

		Estimate as at Budget ⁺	Proposed Additional Estimates ⁼	Total Estimate at Additional Estimates	Total Available Appropriation
		2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
Ordinary Annual Services					
Departmental outputs					
Departmental outputs	¹	185,477 ²	399	185,876	148,049
s31 Relevant agency receipts	³	17,805		17,805	17,400
Total ordinary annual services	A	203,282	399	203,681	165,449
Other services					
Departmental non-operating					
Equity injections	⁴	16,754	4,185	20,939	13,398
Total other services	B	16,754	4,185	20,939	13,398
Total Available Annual Appropriations		220,036	4,584	224,620	178,847
Total resourcing		220,036	4,584	224,630	178,847
Total net resourcing for ASIS				224,630	178,847

1. Appropriation Bill (No.3) 2008-09.

2. Includes estimations of appropriations carried forward from prior years and available for use in 2008-09.

3. Total s31 Relevant Agency receipts — estimate.

4. Appropriation Bill (No.4) 2008-09.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2008-09 Budget. The table is split into expense and capital measures, with the affected output group identified.

Table 1.2: ASIS Measures since Budget

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Expense measures					
Enhanced intelligence capacity					
Departmental outputs	1.1				
Departmental outputs	1.2				
Total		50	3,261	2,946	2,019
Total expense measures					
	Departmental				
Total	Total	50	3,261	2,946	2,019
Capital measures					
Enhanced intelligence capacity					
Departmental capital	1.1				
Departmental capital	1.2				
Total		4,185	512	0	0
Total capital measures					
	Departmental				
Total	Total	4,185	512	0	0

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for ASIS at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2008-09 Budget in Appropriation Bills No.3 and No.4.

Table 1.3: Additional estimates and variations to outcomes from measures since 2008-09 Budget

	Output Group Impacted	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)
Outcome 1					
Increase in estimates (departmental)					
Enhanced Intelligence Capacity	1.1 & 1.2	4,584	5,193	4,394	3,279
Net impact on estimates		4,584	5,193	4,394	3,279
for Outcome 1 (departmental)		4,584	5,193	4,394	3,279

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for ASIS through Appropriation Bills No.3 and No.4.

Table 1.5: Appropriation Bill (No. 3) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
DEPARTMENTAL OUTPUTS					
Outcome 1					
Enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect particular identified interests	148,049	164,714	165,113	399	-
Total departmental	148,733	164,714	165,113	399	-

Example of Notes to table:

Note 1: 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings
- Rephasings - Other Reductions +/- Section 32*

Table 1.6: Appropriation Bill (No. 4) 2008-09

	2007-08 available (\$'000)	2008-09 Budget (\$'000)	2008-09 revised (\$'000)	Additional Estimates (\$'000)	Reduced estimates (\$'000)
Non-operating					
Equity injections	13,398	16,754	20,939	4,185	-
Total non-operating					
Total	13,398	16,754	20,939	4,185	-

Note 1: 2007-08 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM - Savings
- Rephasings - Other Reductions +/- Section 32*

Section 2: Revisions to agency outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

There has been no change to ASIS's Outcome Statement as advised in the *Portfolio Budget Statements 2008-09*.

OUTCOME 1

Outcome 1 Strategy

There has been no change to ASIS's Outcome Strategy as advised in the *Portfolio Budget Statements 2008-09*.

Table 2.1: Performance information for outputs groups affected by additional estimates — outcome 1

Output Group 1.1: Secret Intelligence	
Key Performance Indicators	2008-09 Target
The overall achievement of the performance measures for this output group for ASIS is assessed by reference to the customers for ASIS services. This is done continuously and is also the subject of comprehensive annual internal and external assessment, the results of which are reported to Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.	Measures and targets are not divulged in the interests of national security.

Output Group 1.2: Other Services	
Key Performance Indicators	2008-09 Target
The overall achievement of the performance measures for this output group for ASIS is assessed by reference to the customers for ASIS services. This is done continuously and is also the subject of comprehensive annual internal and external assessment, the results of which are reported to Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.	Measures and targets are not divulged in the interests of national security.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.6 Estimates of special account flows

There is no change to ASIS's estimates of special account flows as advised in the *Portfolio Budget Statements 2008-09*.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The increase in ASIS's operating revenues and net increase in assets since the 2008-09 *Portfolio Budget Statements* is due to the new measure provided by Government during 2008-09. Further analysis of the budgeted financial statements is not provided due to the need to observe requirements of national security.

3.2.2 Budgeted financial statements

Departmental financial statements

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual ¹ 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
INCOME					
Revenue					
Revenues from Government	148,733	165,113	180,608	184,785	185,077
Goods and services	16,686	17,086	17,486	17,791	17,791
Other	514	519	523	526	526
Total revenue	165,933	182,718	198,617	203,102	203,394
Gains					
Net gains from sale of assets	200	200	200	200	200
Other					
Total gains	200	200	200	200	200
Total income	166,133	182,918	198,817	203,302	203,594
EXPENSE					
Total expenses	166,133	182,918	198,817	203,302	203,594
Net surplus or (deficit) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

1. Figures in this column are per the Estimated Actual Budget reported in the 2008-09 *Portfolio Budget Statements*. Actual figures are not provided due to the need to observe requirements of national security.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual ¹ 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
ASSETS					
Financial assets	20,763	23,844	27,666	28,506	28,318
Total financial assets	20,763	23,844	27,666	28,506	28,318
Non-financial assets	104,227	124,817	127,793	127,252	127,440
Total non-financial assets	104,227	124,817	127,793	127,252	127,440
Total assets	124,990	148,661	155,458	155,758	155,758
LIABILITIES					
Payables	6,628	4,225	4,364	4,310	4,310
Total payables	6,628	4,225	4,364	4,310	4,310
Interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions	18,385	23,520	26,131	26,996	26,996
Total provisions	18,385	23,520	26,131	26,996	26,996
Total liabilities	25,013	27,745	30,495	31,306	31,306
Net Assets	99,977	120,916	124,963	124,452	124,452
EQUITY*					
Parent entity interest					
Contributed equity	46,517	67,456	71,502	70,991	70,991
Reserves	27,429	27,429	27,429	27,429	27,429
Retained surpluses or accumulated deficits	26,031	26,031	26,032	26,032	26,032
Total parent entity interest	99,977	120,916	124,963	124,452	124,452
Total equity	99,977	120,916	124,963	124,452	124,452
Current assets	21,579	24,910	27,761	27,927	27,739
Non-current assets	103,411	123,751	127,698	127,831	128,019
Current liabilities	18,870	20,809	22,871	23,480	23,480
Non-current liabilities	6,143	6,936	7,624	7,826	7,826

Prepared on Australian Accounting Standards basis.

1. Figures in this column are per the Estimated Actual Budget reported in the *2008-09 Portfolio Budget Statements*. Actual figures are not provided due to the need to observe requirements of national security.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual ¹ 2007-08 \$'000	Revised budget 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	18,287	10,293	15,013	16,871	17,791
Appropriations	148,733	165,113	180,608	184,785	185,077
Other cash received	5,477	6,065	6,316	5,229	5,353
Total cash received	172,497	181,471	201,937	206,885	208,221
Cash used	157,407	169,490	182,787	189,860	189,509
Total cash used	157,407	169,490	182,787	189,860	189,509
Net cash from or (used by) operating activities	15,090	11,981	19,150	17,025	18,712
INVESTING ACTIVITIES					
Cash received	200	200	200	200	200
Total cash received	200	200	200	200	200
Cash used	26,117	36,830	25,884	17,652	17,652
Total cash used	26,117	36,830	25,884	17,652	17,652
Net cash from or (used by) investing activities	(25,917)	(36,630)	(25,684)	(17,452)	(17,452)
FINANCING ACTIVITIES					
Cash received	13,398	20,939	8,232	-	-
Total cash received	13,398	20,939	8,232	-	-
Cash used	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	13,398	20,939	8,232	-	-
Net increase or (decrease) in cash held	2,571	(3,710)	1,698	(427)	1,260
Cash at the beginning of the reporting period		13,160	9,450	11,147	10,721
Effect of exchange rate movements on cash at the beginning of reporting period					
Cash at the end of the reporting period	2,571	9,450	11,147	10,721	11,981

1. Figures in this column are per the Estimated Actual Budget reported in the *2008-09 Portfolio Budget Statements*. Actual figures are not provided due to the need to observe requirements of national security.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget 2008-09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008					
Balance carried forward from previous period	26,031	-	27,429	46,517	99,977
Adjusted opening balance	26,031	-	27,429	46,517	99,977
Income and expense					
Income and expenses recognised directly in equity:	-				
Sub-total income and expense recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)				20,939	20,939
Sub-total transactions with owners	-	-	-	20,939	20,939
Estimated closing balance as at 30 June 2009	26,031	-	27,429	67,456	120,916

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

Appropriate adjustments have been made to respective revenue, expense, asset, and equity lines in the budgeted financial statements as a result of estimate changes due to the introduction of the new measure introduced by Government during 2008-09.

GLOSSARY

Accrual Accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
AEIFRS	Australian Equivalents to International Financial Reporting Standards which were issued by the Australian Accounting Standards Board in July 2004.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Acts of Parliament, which provide appropriation for the government's activities during a specific financial year. Three appropriation Bills are introduced into Parliament in May and comprise the Budget. Further supplementary Bills are introduced later in the financial year as part of the Additional Estimates process. Parliamentary Departments have their own appropriation Bills.

Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency to produce outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Indicators to assess the degree of success in achieving outcomes. As outcomes are generally long-term in nature, effectiveness indicators often relate to intermediate outcomes (shorter-term impacts) below the planned outcomes specified.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes Price, Quality and Quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.

Expense	Expenses represent the full costs of an activity, that is, the total value of all the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of the entity. Expenses include cash items such as salary payments as well as expenses that have been incurred, such as accruing employee entitlements that will be paid in the future.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Australian Government entities will move to this method incrementally by 30 June 2006 for valuing most infrastructure, plant and equipment.
Intermediate outcomes	More specific medium-term impacts (e.g. trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes (see Outcomes).
Operating result	Equals revenue less expenses.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Output Groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.

Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (Financial Management and Accountability (FMA) Act 1997, ss.20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s.20 FMA Act) or through an Act of Parliament (referred to in s.21 of the FMA Act).

Special Appropriations (including Standing Appropriations) An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.

Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.