

**Australian Agency for
International Development
(AusAID)**

**Agency resources and planned
performance**

**AUSTRALIAN AGENCY FOR INTERNATIONAL
DEVELOPMENT
(AusAID)**

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AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

(AusAID)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

In 2009-10 AusAID will advance the Government's aid objective of assisting developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest. Australia will provide a practical response to the needs of millions of people in developing countries affected by the global recession. Australia's aid will help developing country partners expand economic activity to support jobs and raise incomes, maintain essential health and education services, and protect vulnerable populations while laying the foundations for recovery from the current global recession.

In partnership with developing country partners, bilateral and international development organisations and community-based organisations, AusAID will continue to promote faster progress towards the achievement of the Millennium Development Goals (MDGs).

In 2009-10 AusAID will continue implementation of the Government's long-term commitment to increase Australia's international development assistance to 0.5 per cent of Gross National Income (GNI) by 2015-16. This commitment will be taken forward through a series of new policy measures in the areas of food security through rural development, economic infrastructure, performance-linked aid and improving governance.

Australia will also continue to support the international community's efforts to achieve peace and stability in Afghanistan and Pakistan and provide continued assistance to the Regional Assistance Mission to Solomon Islands (RAMSI).

In the context of growing concerns about global food security, AusAID will take a lead role in planning increased Australian development assistance to address the root causes of food insecurity in partner developing countries, including through programs to enhance productivity and market development. Additional assistance will also be provided to address priority infrastructure needs within our region.

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AusAID will lead the establishment of Pacific Partnerships for Development, as outlined in the Prime Minister's March 2008 'Port Moresby Declaration'. These partnerships will provide a new framework for Australia and Pacific Island nations to commit jointly to achieving improved development outcomes, on the bases of mutual respect and mutual responsibility.

AusAID will work with partner countries to improve economic growth and access to services through improved infrastructure including transport, communications, energy and water and sanitation. Australian support will fund high priority basic infrastructure and strengthen partners' capacity to plan and maintain infrastructure.

AusAID will continue to expand support for health and education with an emphasis on primary health care and basic education needs. Addressing the spread of infectious diseases including HIV and malaria and strengthening the development of health systems will be priorities, as will work to improve basic education systems, improve school infrastructure and enhance vocational and technical training.

AusAID will also continue to support efforts to improve effectiveness at all levels in partner countries, through programs to improve public sector management, especially economic and financial management, strengthen law and justice systems, combat corruption, improve responsiveness and accountability of government institutions and strengthen democratic processes and the role of civil society.

AusAID, together with key humanitarian agencies, will continue emergency, humanitarian and refugee support to relieve humanitarian crises, address the needs of people displaced by conflict, and improve disaster preparedness and response.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: AusAID resource statement — Budget estimates for 2009-10 as at Budget May 2009

	Estimate of prior ⁺ year amounts available in 2009-10 \$'000	Proposed at Budget ⁼ 2009-10 \$'000	Total estimate 2009-10 \$'000	Actual available appropriation 2008-09 \$'000
Ordinary Annual Services¹				
Departmental				
Prior year Departmental appropriation	26,045 ⁴	-	26,045	-
Departmental appropriation ⁵	-	133,153	133,153	130,218
s31 Relevant agency receipts ³	-	231	231	231
Total	26,045	133,384	133,384	130,449
Administered expenses				
Outcome 1	1,675,966 ⁶	2,833,400	4,509,366	2,810,890
Outcome 2	-	3,868	3,868	4,386
Total	1,675,966	2,837,268	4,513,234	2,815,276
Total ordinary annual services	A 1,702,011	2,970,652	4,646,618	2,945,725
Other services				
Administered Revenue⁷				
Outcome 1	-	4,538	4,538	18,432
Specific payments to States, ACT, NT and local government	-	-	-	-
Total	-	4,538	4,538	18,432
Departmental non-operating²				
Equity injections	-	1,608	1,608	1,822
Previous years' outputs	-	-	-	-
Total	-	1,608	1,608	1,822
Administered non-operating²				
Administered Assets and Liabilities	-	6,252	6,252	260,547
Total	-	6,252	6,252	260,547
Total other services	B 1,702,011	12,398	12,398	280,801
Total Available Annual Appropriations	1,702,011	2,983,050	4,659,016	3,226,526
Special Appropriations				
Special Appropriations limited by criteria/entitlement	-	-	-	-
Special Appropriations limited by amount	-	-	-	-
Total Special Appropriations	C -	-	-	-
Total Appropriations excluding Special Accounts	1,702,011	2,983,050	4,659,016	3,226,526

Table 1.1: AusAID resource statement — Budget estimates for 2009-10 as at Budget May 2009 (continued)

	Estimate of prior ⁺ year amounts available in 2009-10 \$'000	Proposed at Budget ⁼ 2009-10 \$'000	Total Estimate 2009-10 \$'000	Actual Available Appropriation 2008-09 \$'000
Special Accounts⁸				
Opening balance	531,729	-	531,729	531,729
Appropriation Receipts	-	-	-	-
Appropriation receipts - other agencies ⁷				
Non-Appropriation receipts to Special Accounts	-	5,000	5,000	-
Total Special Account	D 531,729	5,000	536,729	531,729
Total resourcing A+B+C+D	2,233,740	2,988,050	5,195,745	3,758,255
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations				
Total net resourcing for AusAID	2,233,740	2,988,050	5,195,745	3,758,255

Notes:

1. Appropriation Bill (No.1) 2009-10.
 2. Appropriation Bill (No.2) 2009-10.
 3. s31 Relevant Agency receipts — estimate.
 4. Estimated adjusted balance carried forward from previous year for Departmental Annual Appropriations.
 5. The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the Outcome Resource Statements as the budget reflects the estimated appropriation attributable to outcomes and not the total available.
 6. Estimated adjusted balance carried forward from previous years for Administered Annual Appropriations. This relates to amounts appropriated in previous years for multilateral replenishments. The full amounts of these replenishments are appropriated in the year the commitment is entered into, with cash payments usually made over a nine to ten year period.
 7. The majority of this funding relates to unused funds returned from contractors and non-government organisations and taxation paid to partner governments and returned to AusAID, which were appropriated in former years and will be returned to the Official Public Account (OPA).
 8. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.2.
- Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to AusAID are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2009-10 Budget measures

Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
Expense measures					
Overseas development assistance - food security through rural development	1.1, 1.2, 1.3				
Administered expenses	-	24,750	34,800	119,000	203,500
Departmental expenses	-	2,331	3,319	3,250	3,313
Overseas development assistance - Economic Infrastructure	1.1, 1.2, 1.3				
Administered expenses	-	11,500	20,000	164,000	251,000
Departmental expenses	-	417	2,302	2,177	2,214
Overseas development assistance - performance-linked aid	1.1, 1.2, 1.3				
Administered expenses	-	6,500	24,900	144,100	153,300
Departmental expenses	-	511	908	2,617	2,658
Overseas development assistance - Regional Assistance Mission to Solomon Islands - continuation ¹	1.1				
Administered expenses	-	(472)	(1,840)	(7,918)	(18,962)
Departmental expenses	-	12	1	(5)	(505)
Overseas development assistance - improving responsiveness and accountability in government	1.1				
Administered expenses	-	4,200	5,500	59,500	67,700
Departmental expenses	-	417	421	425	430
Overseas development assistance - Afghanistan and Pakistan Increased Assistance ²	1.3				
Administered expenses	-	3,000	7,000	31,000	39,000

Prepared on a Government Financial Statistics (fiscal) basis.

Table 1.2: Agency 2009-10 Budget measures (continued)

Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
Expense measures					
Overseas development assistance - Prime Minister's Pacific Australia Awards					
Administered expenses	-	750	750	750	750
Overseas development assistance - Nauru ³					
Administered expenses	-	nfp	nfp	nfp	nfp
Total expense measures					
Administered	-	50,228	91,110	510,432	696,288
Departmental	-	3,688	6,951	8,464	8,110
Total	-	53,916	98,061	518,896	704,398
Capital measures					
Overseas development assistance - food security through rural development					
Departmental capital	-	606	393	-	-
Overseas development assistance - Economic Infrastructure					
Departmental capital	-	-	613	-	-
Overseas development assistance - performance-linked aid					
Departmental capital	-	-	-	620	-
Total capital measures					
Departmental	-	606	1,006	620	-
Total	-	606	1,006	620	-

Notes:

1. The lead agency for measure *Overseas development assistance - Regional Assistance Mission to Solomon Islands - continuation* is the Department of Foreign Affairs and Trade. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio. The amounts included here represent the reduction against the forward estimates. AusAID will provide \$241.2 million over four years to RAMSI.
2. This amount reflects funding additional to that contained within AusAID's forward estimates of \$272.8 million.
3. This measure is already contained within the forward estimates.

Prepared on a Government Financial Statistics (fiscal) basis.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review. AusAID has had no changes to either Outcome Statement as a result of the Operation Sunlight Outcome Statements Review. In previous years AusAID did not budget for administered items by output group within each outcome.

Figure 2: Transition table

2008-09 Budget year	2009-10 Budget year																				
<p>Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest</p> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #e0e0e0;">Outcome 1 Administered Appropriation (O 1)</td> <td></td> </tr> <tr> <td>Administered Items P 1.1, P 1.2, P 1.3, P 1.4, P 1.5 P 1.6, P 1.7</td> <td></td> </tr> </table>	Outcome 1 Administered Appropriation (O 1)		Administered Items P 1.1, P 1.2, P 1.3, P 1.4, P 1.5 P 1.6, P 1.7		<p>Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest</p> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #e0e0e0;">Program 1.1: Official Development Assistance - PNG & Pacific</td> <td></td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #e0e0e0;">Program 1.2: Official Development Assistance - East Asia</td> <td></td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #e0e0e0;">Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other</td> <td></td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #e0e0e0;">Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Programs</td> <td></td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table>	Program 1.1: Official Development Assistance - PNG & Pacific		Administered Items	O 1	Program 1.2: Official Development Assistance - East Asia		Administered Items	O 1	Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other		Administered Items	O 1	Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Programs		Administered Items	O 1
Outcome 1 Administered Appropriation (O 1)																					
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Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Programs																					
Administered Items	O 1																				

Figure 2: Transition table (continued)

2008-09 Budget year	2009-10 Budget year												
Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest												
	<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Program 1.5: Official Development Assistance - Multilateral Replenishments</td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table>	Program 1.5: Official Development Assistance - Multilateral Replenishments		Administered Items	O 1								
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Administered Items	O 1												
	<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations</td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table>	Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations		Administered Items	O 1								
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Administered Items	O 1												
	<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Program 1.7: Official Development Assistance - NGO, Volunteer and Community Programs</td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 1</td> </tr> </table>	Program 1.7: Official Development Assistance - NGO, Volunteer and Community Programs		Administered Items	O 1								
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<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Outputs 1.1 and 1.2</td> </tr> <tr> <td>1.1 Policy</td> <td style="text-align: right;">DS</td> </tr> <tr> <td>1.2 Program management</td> <td style="text-align: right;">DS</td> </tr> </table>	Outputs 1.1 and 1.2		1.1 Policy	DS	1.2 Program management	DS	<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Departmental Programs</td> </tr> <tr> <td>Departmental Support</td> <td style="text-align: right;">O 1.1</td> </tr> <tr> <td></td> <td style="text-align: right;">O 1.2</td> </tr> </table>	Departmental Programs		Departmental Support	O 1.1		O 1.2
Outputs 1.1 and 1.2													
1.1 Policy	DS												
1.2 Program management	DS												
Departmental Programs													
Departmental Support	O 1.1												
	O 1.2												
Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development												
<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Outcome 2 Administered Appropriation (O2)</td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">P 2.1</td> </tr> <tr> <td>Special Accounts</td> <td></td> </tr> </table>	Outcome 2 Administered Appropriation (O2)		Administered Items	P 2.1	Special Accounts		<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Program 2.1 East Asia</td> </tr> <tr> <td>Administered Items</td> <td style="text-align: right;">O 2</td> </tr> <tr> <td>Special Accounts</td> <td></td> </tr> </table>	Program 2.1 East Asia		Administered Items	O 2	Special Accounts	
Outcome 2 Administered Appropriation (O2)													
Administered Items	P 2.1												
Special Accounts													
Program 2.1 East Asia													
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<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Output 2.1</td> </tr> <tr> <td>2.1 Australia-Indonesia Partnership for Reconstruction and Development</td> <td style="text-align: right;">DS</td> </tr> <tr> <td>Supplementary funding</td> <td></td> </tr> </table>	Output 2.1		2.1 Australia-Indonesia Partnership for Reconstruction and Development	DS	Supplementary funding		<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">Departmental Programs</td> </tr> <tr> <td>Departmental Support</td> <td style="text-align: right;">O 2.1</td> </tr> </table>	Departmental Programs		Departmental Support	O 2.1		
Output 2.1													
2.1 Australia-Indonesia Partnership for Reconstruction and Development	DS												
Supplementary funding													
Departmental Programs													
Departmental Support	O 2.1												

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government. Agencies deliver programs which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of AusAID in achieving government outcomes.

Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest

Outcome 1 Strategy

As highlighted in the Strategic Direction for the Agency, AusAID will, in 2009-10, advance the Government's objective of assisting developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.

In 2009-10 AusAID will continue implementation of the Government's long-term commitment to increase Australia's official development assistance (ODA) to 0.5 per cent of Gross National Income (GNI) by 2015-16.

Outcome 1 Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for Outcome 1 by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
Program 1.1: Official Development Assistance - PNG & Pacific		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	814,322	892,700
Other Services (Appropriation Bill No. 2)	3,700	3,655
Total for Program 1.1	818,022	896,355
Program 1.2: Official Development Assistance - East Asia		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	611,336	774,700
Total for Program 1.2	611,336	774,700
Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	444,642	552,400
Special Accounts		
Total for Program 1.3	444,642	552,400
Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Programs		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	370,163	299,100
Total for Program 1.4	370,163	299,100
Program 1.5: Official Development Assistance - Multilateral Replenishments		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	461,536	-
Other Services (Appropriation Bill No. 2)	256,847	2,597
Total for Program 1.5	718,383	2,597
Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	207,003	205,900
Total for Program 1.6	207,003	205,900
Program 1.7: Official Development Assistance - NGO Volunteer and Community Programs		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	94,647	108,600
Total for Program 1.7	94,647	108,600

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	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
Outcome 1 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	2,810,890	2,833,400
Other Services (Appropriation Bill No. 2)	260,547	6,252
Special Accounts	5,000	5,000
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	123,736	127,144
Revenues from Independent Sources (Section 31)	231	231
Total Expenses for Outcome 1	3,200,404	2,972,027
	2008-09	2009-10
Average Staffing Level (number)	649	656

Note: Total administered expenses will not total with total administered appropriations due to the recognition of concessionality and the associated discounting of concessional loans.

Contributions to Outcome 1

AusAID provides policy advice and analysis to the Government on international development issues. AusAID also manages and monitors development assistance programs implemented in accordance with the policies of the Government and priorities of partner countries.

For detail in regards to official development assistance flows and further detail on the implementation of the new measures designed to take forward the Government's development assistance priorities, please refer to the associated budget paper *Australia's International Development Assistance Program 2009-10 – Statement by Minister for Foreign Affairs and Parliamentary Secretary for International Development Assistance*.

The Australian aid program tracks and reports on performance at two main levels:

- 1) at the activity level, i.e. the extent to which individual aid activities are meeting their objectives and are being well designed and implemented; and
- 2) at the strategy level, i.e. the extent to which objectives set in country, regional or global program strategies are expected to be achieved.

Activity level

The Australian development assistance program is made up of over 1,000 individual aid activities. These include aid projects, training and scholarships, funding to multilateral organisations and NGOs, technical advice and funding for partner country programs through their own budgets. Activity quality is assessed through a quality reporting system (QRS). QRS ratings are based on self assessments by activity managers and subjected to peer review.

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The QRS provides activity-level reporting at all stages of the activity cycle: at entry, during implementation and at completion. The QRS rates several quality principles, notably the extent to which objectives are likely to be, are being, or have been met; sustainability; and the adequacy of monitoring and evaluation systems.

The QRS rates activities on a six-point scale from very poor to very high quality. Activities rated four or higher are considered satisfactory. This includes activities that are of adequate quality but need improvement. Activities rated below adequate (three or less) are considered unsatisfactory.

The QRS also generates information that can be used to assess activity quality by sector and country.

Strategy level

The extent to which higher level program strategy objectives are being achieved is also assessed. This goes beyond individual activity performance to consider the extent to which Australia's broader aid engagement, i.e. the sum of its activities, partnerships with stakeholders, analysis and policy dialogues is contributing to achieving higher level development outcomes at the sector or country level.

Strategy level objectives are specified in country, regional or global strategies. Progress is assessed by program managers annually and reported in Annual Program Performance Reports which are subject to external peer review. Strategy objectives are rated in terms of their likelihood to be achieved within the timeframe. This level of reporting is new to AusAID and rare for a donor agency. AusAID seeks to surpass a target of 75 per cent of country and regional program strategy objectives to be fully or partially achieved.

The Office of Development Effectiveness, a unit within AusAID but separate to program management, reports on the effectiveness of the Australian aid program through the Annual Review of Development Effectiveness which it tables in Parliament.

Further detail on AusAID's approach to performance reporting is contained in the aid program's Performance Assessment and Management Policy, available on www.ausaid.gov.au.

Program 1.1 Official Development Assistance – PNG & Pacific	
Program Objective	
<ul style="list-style-type: none"> To assist developing countries in PNG and the Pacific region to reduce poverty and achieve sustainable development. 	

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item (Bill 1)	814,322	892,700	964,299	1,070,891	1,160,384
Administered Assets and Liabilities (Bill 2)	3,700	3,655	3,750	3,814	3,898
Total Program Expenses	818,022	896,355	968,049	1,074,705	1,164,282

Program 1.1 Key Performance Indicators	
<ul style="list-style-type: none"> Significant development results. Significant activity outputs. At least 75 per cent of activities receive a satisfactory rating. At least 75 per cent of program strategy objectives fully or partially achieved. 	

Program 1.2 Official Development Assistance – East Asia	
Program Objective	
<ul style="list-style-type: none"> To assist developing countries in the East Asia region to reduce poverty and achieve sustainable development. 	

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	611,336	774,700	850,917	921,617	1,020,888
Total Program Expenses	611,336	774,700	850,917	921,617	1,020,888

Program 1.2 Key Performance Indicators	
<ul style="list-style-type: none"> Significant development results. Significant activity outputs. 	

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- At least 75 per cent of activities receive a satisfactory rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.

Program 1.3 Official Development Assistance – Africa, South and Central Asia, Middle East and Other

Program Objective

- To assist developing countries in Africa, South and Central Asia and the Middle East to reduce poverty and achieve sustainable development.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'001	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	444,642	552,400	671,869	631,339	729,232
Special Account Expenses:					
Services for other Governments and Non-Agency Bodies	5,000	5,000	5,000	5,000	5,000
Total Program Expenses	449,642	557,400	676,869	636,339	734,232

Program 1.3 Key Performance Indicators

- Significant development results.
- Significant activity outputs.
- At least 75 per cent of activities receive a satisfactory rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.

Program 1.4 Official Development Assistance – Emergency, Humanitarian and Refugee Program
Program Objective
<ul style="list-style-type: none"> To assist developing countries respond to emergencies and assist refugees.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	370,163	299,100	286,599	303,082	228,789
Total Program Expenses	370,163	299,100	286,599	303,082	228,789

Program 1.4 Key Performance Indicators
<ul style="list-style-type: none"> Significant organisation outputs. Significant humanitarian results. At least 75 per cent of activities receive a satisfactory quality rating. At least 75 per cent of program strategy objectives fully or partially achieved.

Program 1.5 Official Development Assistance – Multilateral Replenishments
Program Objective
<ul style="list-style-type: none"> To assist developing countries through contributions to multilateral organisations.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item (Bill 1)	461,536	-	428,145	74,967	283,406
Administered Assets and Liabilities (Bill 2)	256,847	2,597	315,002	-	238,145
Total Program Expenses	718,383	2,597	743,147	74,967	521,551

Program 1.5 Key Performance Indicators
<ul style="list-style-type: none"> Significant organisation outputs. Significant development results.

- At least 75 per cent of program strategy objectives fully or partially achieved.
- At least 75 per cent of organisations receive a satisfactory quality rating.

Program 1.6 Official Development Assistance – UN, Commonwealth and Other International Organisations

Program Objective

- To assist developing countries through contributions to UN, Commonwealth and other international organisations.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	207,003	205,900	236,316	270,570	295,897
Total Program Expenses	207,003	205,900	236,316	270,570	295,897

Program 1.6 Key Performance Indicators

- Significant organisation outputs.
- Significant development results.
- At least 75 per cent of organisations receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.

Program 1.7 Official Development Assistance – NGO, Volunteer and Community Programs

Program Objective

- To assist developing countries through contributions to NGO, Volunteer and Community programs.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	94,647	108,600	115,134	124,852	139,979
Total Program Expenses	94,647	108,600	115,134	124,852	139,979

Program 1.7 Key Performance Indicators

- Significant organisation outputs.
- Significant development results.
- At least 75 per cent of activities receive a satisfactory rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.

Departmental Support: Outcome 1

Program Objective

- To support the implementation and management of Australia’s International Aid program.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Departmental Expenses:					
Departmental Item	123,736	127,144	131,475	131,822	134,211
Total Departmental Expenses	123,736	127,144	131,475	131,822	134,211

Departmental Support: Key Performance Indicators

- Increased awareness of, and support for, Australia’s international development assistance program among international, rural, regional and metropolitan audiences.
- Ministerial and Parliamentary Secretary satisfaction.
- Implementation of the aid program’s Performance Assessment and Management Policy, including the production of the Annual Review of Development Effectiveness.

Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development

Outcome 2 Strategy

AusAID's second outcome reflects the Government's ongoing commitment to the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD). The AIPRD is part of the overall Australian official development assistance program managed by AusAID.

The AIPRD is funded through \$500 million in grants and \$500 million in highly concessional loan funds held in two special accounts. All AIPRD funds have been committed to high priority reconstruction and development activities currently under implementation in Indonesia.

Outcome 2 Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for Outcome 2 by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 2

Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
Outcome 2 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	4,386	3,868
AIPRD loans special account ¹	130,000	70,000
AIPRD grants special account ¹	132,056	33,086
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	6,482	6,009
Total Expenses for Outcome 2	272,924	112,963
	2008-09	2009-10
Average Staffing Level (number)	25	22

1. This reflects the amount of funding to be disbursed on a cash basis, not an expense basis.

Program 2.1 Official Development Assistance – East Asia

Program Objective

- To continue to assist Indonesia in reconstruction and development post the 2004 Tsunami.

Program Expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Administered Expenses:					
Administered Item	4,386	3,868	3,668	-	-
Special Account Expenses:					
AIPRD loans special account ¹	130,000	70,000	70,000	70,000	22,372
AIPRD grants special account ¹	132,056	33,086	-	-	-
Total Program Expenses	266,442	106,954	73,668	70,000	22,372

1. This reflects the amount of funding to be disbursed on a cash basis, not an expense basis.

Program 2.1 Key Performance Indicators

- Significant development results.
- Significant activity outputs.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.

Departmental Support: Outcome 2

Program Objective

- To assist the implementation of the AIPRD with Indonesia.

Program expenses

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Annual Departmental Expenses:					
Departmental Item	6,482	6,009	5,225	-	-
Total Departmental Expenses	6,482	6,009	5,225	-	-

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period are subject to review by the Minister for Finance and Deregulation, and may be moved to a future period, in accordance with provisions in legislation. Table 3.1.1 shows the movement of administered funds approved since the 2008-09 Additional Estimates.

Table 3.1.1: Movement of administered funds between years

Movements of funding between years	\$'000
GEF 5 Replenishment (Outcome 1). Movement from 2008-09 to 2010-11.	59,578

1. This relates to funds for Australia's contribution to the fifth replenishment of the Global Environment Facility (GEF) which is being deferred to 2010-11 owing to a change in the timetable for the replenishment negotiations. Negotiations will extend into early 2010 before country pledges are made. On conclusion of the negotiations, the World Bank as GEF trustee will undertake internal approval processes lasting several months. Australia will therefore not be expected to submit an Instrument of Commitment or commence payments against this pledge before July 2010.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by AusAID.

Table 3.1.2: Estimates of Special Account cash flows and balances

		Opening balance 2009-10 2008-09	Receipts 2009-10 2008-09	Payments 2009-10 2008-09	Adjustments 2009-10 2008-09	Closing balance 2009-10 2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments and Non-Agency Bodies (A)	1	4,215	5,000	5,000	-	4,215
<i>Financial Management and Accountability Act 1997 s.20</i>		4,215	5,000	5,000	-	4,215
Other Trust Moneys Account (D)	1	-	-	-	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		-	-	-	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A)	2	33,086	-	33,086	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		165,142	-	132,056	-	33,086
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A)	2	232,372	-	70,000	-	162,372
<i>Financial Management and Accountability Act 1997 s.20</i>		362,372	-	130,000	-	232,372
Total special accounts 2009-10 Budget estimate		269,673	5,000	108,086	-	166,587
Total special accounts 2008-09 estimate actual		531,729	5,000	267,056	-	269,673

(A) = Administered

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

Outcome	Appropriations				Other	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000		
AusAID						
Outcome 1						
Departmental 2009-10	96	-	-	96	-	96
<i>Departmental 2008-09</i>	25	-	-	25	-	25
Administered 2009-10	14	-	-	14	-	14
<i>Administered 2008-09</i>	20	-	-	20	-	20
Total Outcome 1 2009-10	110	-	-	110	-	110
<i>Total Outcome 1 2008-09</i>	45	-	-	45	-	45
Total AGIE 2009-10	110	-	-	110	-	110
<i>Total AGIE 2008-09</i>	45	-	-	45	-	45

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

In accordance with the Government Financial Statistics provided by the Australian Bureau of Statistics, the budget financial statements do not recognise concessionality and the associated discounting of concessional loans. Australian Accounting Standards require concessional loans to reflect a market related rate of interest and be discounted over the loan maturity period. AusAID has two programs that are affected by this treatment:

- Asian Development Fund replenishments – investment component; and
- International Development Association replenishments – investment component.

The investment component does not impact on the fiscal or underlying cash balances, as the provision of a loan only affects the composition of the Australian Government investment in financial assets.

3.2.2 Analysis of budgeted financial statements

Budgeted departmental income statement

This statement provides a picture of the expected financial results for AusAID by identifying full accrual expenses and revenue.

Total income in 2009–10 is estimated to be \$133.8 million, an increase of \$2.9 million from the 2008–09 estimated actual. The increase is primarily a result of increased appropriation for new measures (excluding capital funding) included in the 2009-10 Budget.

Total expenses are estimated to be \$133.8 million, an increase of \$2.9 million from the 2008–09 estimated actual. The increase is primarily due to costs associated with managing an increased volume of development assistance.

Budgeted departmental balance sheet

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

AusAID's budgeted net asset position of \$22.4 million is equal to the 2008–09 estimated actual net asset position. The increase is attributable to the capital injections related to new measures received through the 2009-10 Budget.

AusAID's most significant liability continues to be accrued employee entitlements, as a result of accruing leave entitlements. In 2009-10 this is estimated at \$25.1 million.

Budgeted departmental statement of cash flows

This statement shows the budgeted cash flows which provide information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental statement of changes in equity – summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, asset revaluation and other reserves, and contributed equity. Total equity in 2009-10 is estimated to be \$24.0 million, an increase of \$1.6 million from the 2008-09 estimated actual.

Schedule of Administered Activity

Schedule of budgeted income and expenses administered on behalf of the Government

This schedule identifies the main revenues and expenses relating to the Australian Government's official development assistance program administered by AusAID.

In 2009-10 AusAID will receive administered appropriation of \$2,837.3 million (excluding capital funding) for programs administered on behalf of the Government, representing an increase of \$22 million from the 2008-09 estimated actual.

Administered expenses for 'Official development assistance program' are budgeted at \$238.9 million, a decrease of \$246.7 million from the 2008-09 estimated actual.

Administered expenses for 'Other - official development assistance program' are budgeted at \$2,629.5 million, an increase of \$272.4 million from the 2008-09 estimated actual.

The expenses 'Concessional loan discount' relates to the discounting of the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD) loans.

The expenses 'Concessional investment discount' relates to the discounting of the investment components of the replenishments for the International Development Association (IDA) and the Asian Development Fund (ADF).

Schedule of budgeted assets and liabilities administered on behalf of the Government

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

3.2.3 Budgeted financial statements tables

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
EXPENSES					
Employee benefits	97,844	99,801	101,797	103,833	105,910
Supplier	27,007	27,901	29,352	22,437	22,748
Depreciation and amortisation	6,016	6,100	6,200	6,200	6,200
Write-down and impairment of assets	80	81	81	82	83
Total expenses	130,947	133,883	137,430	132,552	134,941
LESS:					
OWN-SOURCE INCOME					
Revenue					
Other revenue	299	300	300	300	300
Total revenue	299	300	300	300	300
Gains					
Sale of assets					
Other gains	430	430	430	430	430
Total gains	430	430	430	430	430
Total own-source income	729	730	730	730	730
Net cost of (contribution by) services	130,218	133,153	136,700	131,822	134,211
Appropriation revenue	130,218	133,153	136,700	131,822	134,211
Surplus (Deficit)	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
ASSETS					
Financial assets					
Cash and equivalents	727	885	1,984	3,343	4,339
Receivables	23,801	24,753	25,785	26,734	27,722
Total financial assets	24,528	25,638	27,769	30,077	32,061
Non-financial assets					
Leasehold improvements	17,802	19,659	19,352	18,966	18,346
Infrastructure, plant and equipment	6,531	6,622	6,731	6,731	6,731
Intangibles	2,614	2,650	2,694	2,694	2,694
Other	4,642	4,707	4,784	4,784	4,784
Total non-financial assets	31,589	33,638	33,561	33,175	32,555
Total assets	56,117	59,276	61,330	63,252	64,616
LIABILITIES					
Provisions					
Employees	24,097	25,061	26,063	27,106	28,190
Total provisions	24,097	25,061	26,063	27,106	28,190
Payables					
Suppliers	5,410	5,340	5,139	5,140	5,148
Other	4,538	5,195	5,443	5,701	5,972
Total payables	9,948	10,535	10,582	10,841	11,120
Total liabilities	34,045	35,596	36,645	37,947	39,310
Net assets	22,072	23,680	24,685	25,305	25,306
EQUITY*					
Parent entity interest					
Contributed equity	20,626	22,234	23,240	23,860	23,860
Reserves	374	374	374	374	374
Retained surpluses or accumulated deficits	1,072	1,072	1,072	1,072	1,072
Total parent entity interest	22,072	23,680	24,686	25,306	25,306
Total equity	22,072	23,680	24,686	25,306	25,306
Current assets	29,170	30,344	32,553	34,861	36,844
Non-current assets	26,947	28,931	28,777	28,391	27,771
Current liabilities	30,948	32,357	33,311	34,494	35,733
Non-current liabilities	3,097	3,238	3,334	3,452	3,576

* '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)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	299	300	300	300	300
Appropriations	128,396	131,545	135,694	131,202	134,211
Total cash received	128,695	131,845	135,994	131,502	134,511
Cash used					
Employees	95,544	98,837	100,795	102,790	104,825
Suppliers	28,211	26,311	29,985	22,696	23,027
Total cash used	123,755	125,148	130,780	125,486	127,852
Net cash from or (used by)					
operating activities	4,940	6,697	5,214	6,016	6,659
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	7,067	8,147	5,121	5,276	5,663
Total cash used	7,067	8,147	5,121	5,276	5,663
Net cash from or (used by)					
investing activities	(7,067)	(8,147)	(5,121)	(5,276)	(5,663)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	1,822	1,608	1,006	620	-
Total cash received	1,822	1,608	1,006	620	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by)					
financing activities	1,822	1,608	1,006	620	-
Net increase or (decrease)					
in cash held	(305)	158	(1,099)	(1,359)	995
Cash at the beginning of the reporting period	1,032	727	885	1,984	3,343
Cash at the end of the reporting period	727	885	1,984	3,343	4,339

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009-10)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2009					
Balance carried forward from previous period	1,072	374	-	20,626	22,072
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	1,072	374	-	20,626	22,072
Surplus (deficit) for the period	-	-	-	-	-
Total income and expenses recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,608	1,608
Sub-total transactions with owners	-	-	-	1,608	1,608
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2010	1,072	374	-	22,234	23,680

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	1,822	1,608	1,006	620	-
Total capital appropriations	1,822	1,608	1,006	620	-
Represented by:					
Purchase of non-financial assets	1,822	1,608	1,006	620	-
Total represented by	1,822	1,608	1,006	620	-
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,822	1,608	1,006	620	-
TOTAL	1,822	1,608	1,006	620	-

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements - Departmental

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009				
Gross book value	21,245	9,797	9,215	40,257
Accumulated depreciation/amortisation	(3,443)	(3,266)	(6,601)	(13,310)
Opening net book balance	17,802	6,531	2,614	26,947
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	4,907	2,612	628	8,147
Acquisition of entities or operations (including restructuring) sub-total	-	-	-	-
Other movements				
Assets held for sale or in a disposal group held for sale				
Depreciation/amortisation expense	(3,050)	(2,440)	(592)	(6,082)
Disposals	-	-	-	-
Other	-	(81)	-	(81)
As at 30 June 2010				
Gross book value	26,152	12,409	9,843	48,404
Accumulated depreciation/amortisation	(6,493)	(5,787)	(7,193)	(19,473)
Closing net book balance	19,659	6,622	2,650	28,931

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Interest	1,831	3,371	4,264	5,158	6,051
Other sources of non-taxation revenues	18,432	4,538	4,811	5,099	5,405
Total non-taxation	20,263	7,909	9,075	10,257	11,456
Total revenues administered on behalf of Government	20,263	7,909	9,075	10,257	11,456
Gains					
Other gains	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total income administered on behalf of Government	20,263	7,909	9,075	10,257	11,456
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
IDA/ADF grants	83,195	-	78,751	-	79,382
Official Development Assistance program	485,758	238,986	330,707	345,537	295,897
Other - Official Development Assistance program	2,357,122	2,629,513	2,890,630	3,049,925	3,279,726
Depreciation and amortisation	1,856	1,856	1,856	1,856	1,856
Concessional loan discount	107,522	59,500	59,500	59,500	21,995
Concessional investment discount	199,586	-	255,003	-	204,024
Total expenses administered on behalf of Government	3,235,039	2,929,855	3,616,447	3,456,818	3,882,880

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	5,751	5,751	5,751	5,751	5,751
AIPRD loan receivable	41,497	62,118	83,842	89,000	95,051
IDA/ADF Investments	1,178,423	1,178,423	1,238,422	1,238,422	1,272,546
Receivables	2,201,944	1,676,535	1,829,149	1,593,416	1,848,091
Total financial assets	3,427,615	2,922,827	3,157,164	2,926,589	3,221,439
Non-financial assets					
Leasehold improvements	3,188	3,188	3,188	3,188	3,188
Infrastructure, plant and equipment	2,039	2,039	2,039	2,039	2,039
Intangibles	1,187	1,187	1,187	1,187	1,187
Other	746	746	746	746	746
Total non-financial assets	7,160	7,160	7,160	7,160	7,160
Total assets administered on behalf of Government	3,434,775	2,929,987	3,164,324	2,933,749	3,228,599
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Liabilities					
IDA/ADF investments payable ¹	1,009,454	875,592	1,028,203	847,291	1,058,448
Other	7,982	2,354	2,667	2,669	2,669
Total interest bearing liabilities	1,017,436	877,946	1,030,870	849,960	1,061,117
Provisions					
Other provisions	3,681	3,681	3,681	3,681	3,681
Total provisions	3,681	3,681	3,681	3,681	3,681
Payables					
Suppliers	112,319	106,931	128,154	130,812	130,811
Development Assistance program payable	371,522	264,368	237,487	225,911	215,268
IDA/ADF grant payable	300,690	258,503	288,898	236,542	315,924
Total payables	784,531	629,802	654,539	593,265	662,003
Total liabilities administered on behalf of Government	1,805,648	1,511,429	1,689,090	1,446,906	1,726,801

Note

1. Refer to Section 3.2.1 for further detail.

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	75,280	84,436	92,828	86,830	92,758
Other	18,432	4,538	4,811	5,099	5,405
Total cash received	93,712	88,974	97,639	91,929	98,163
Cash used					
Grant payments	571,093	405,430	350,285	441,733	261,280
Development assistance program	2,545,479	2,797,900	2,890,986	3,062,781	3,292,582
Net GST paid	76,390	85,168	93,524	86,221	93,754
Total cash used	3,192,962	3,288,498	3,334,795	3,590,735	3,647,616
Net cash from or (used by) operating activities	(3,099,250)	(3,199,524)	(3,237,156)	(3,498,806)	(3,549,453)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,856	1,856	1,856	1,856	1,856
IDA/ADF investments	93,917	131,699	160,331	169,667	160,555
Total cash used	95,773	133,555	162,187	171,523	162,411
Net cash from or (used by) investing activities	(95,773)	(133,555)	(162,187)	(171,523)	(162,411)
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	76,390	85,168	93,524	86,221	93,754
Cash from Capital injections	260,547	6,252	318,752	3,815	242,043
Total cash received	336,937	91,420	412,276	90,036	335,797
Cash used					
Net repayment of borrowings	75,280	84,436	92,828	86,830	92,758
Cash to Official Public Account	18,432	4,538	4,811	5,099	5,405
Total cash used	93,712	88,974	97,639	91,929	98,163
Net cash from or (used by) financing activities	(243,225)	(2,446)	(314,637)	1,893	(237,634)
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	5,751	5,751	5,751	5,751	5,751
Cash from Official Public Account for:					
- appropriations	2,480,695	2,843,957	3,063,233	3,315,862	3,531,115
- special accounts	267,056	108,086	75,000	75,000	27,372
Cash at end of reporting period	5,751	5,751	5,751	5,751	5,751

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of administered capital budget

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
CAPITAL APPROPRIATIONS					
Administered assets	260,547	6,252	318,752	3,815	242,043
Total capital appropriations	260,547	6,252	318,752	3,815	242,043
Represented by:					
Other	260,547	6,252	318,752	3,815	242,043
Total represented by	260,547	6,252	318,752	3,815	242,043
TOTAL	260,547	6,252	318,752	3,815	242,043

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Schedule of Asset Movements - Administered

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009				
Gross book value	3,224	4,025	2,948	10,197
Accumulated depreciation/amortisation	(36)	(1,986)	(1,761)	(3,783)
Opening net book balance	3,188	2,039	1,187	6,414
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	461	805	590	1,856
Acquisition of entities or operations (including restructuring) sub-total				
Other movements				
Depreciation/amortisation expense	(461)	(805)	(590)	(1,856)
As at 30 June 2010				
Gross book value	3,685	4,830	3,538	12,053
Accumulated depreciation/amortisation	(497)	(2,791)	(2,351)	(5,639)
Closing net book balance	3,188	2,039	1,187	6,414

Prepared on Australian Accounting Standards basis.

3.2.4 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 those 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 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. 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 program appropriations: representing the Government's funding for programs 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.

Asset valuation

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