

# **PORTFOLIO BUDGET STATEMENTS 2009-10**BUDGET RELATED PAPER NO. 1.9

FOREIGN AFFAIRS AND TRADE PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF APPROPRIATIONS SPECIFIED BY OUTCOMES AND PROGRAMS BY AGENCY

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PARLIAMENT HOUSE CANBERRA 2600

President of the Senate Australian Senate Parliament House CANBERRA ACT 2600

Speaker House of Representatives Parliament House CANBERRA ACT 2600

Dear Mr President Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2009-10 Budget for the Foreign Affairs and Trade portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

We present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

Stephen Smith

Minister for Foreign Affairs

Simon Crean Minister for Trade

#### **Abbreviations and conventions**

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

\$m \$ million \$b \$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. 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 TO THE PORTFOLIO BUDGET STATEMENTS

#### **USER GUIDE**

The purpose of the 2009-10 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2009-10 (or Appropriation Bill [Parliamentary Departments] No. 1 2009-10 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the Acts Interpretation Act 1901.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

#### **CONTENTS**

Portfolio Overview	1
Foreign Affairs and Trade Portfolio Overview	3
Agency Resources and Planned Performance	7
Department of Foreign Affairs and Trade (DFAT)	9
Australian Trade Commission (Austrade)	69
Australian Agency for International Development (AusAID)	101
Australian Centre for International Agricultural Research (ACIAR)	141
Australian Secret Intelligence Service (ASIS)	171
Glossary	189

## PORTFOLIO OVERVIEW

#### FOREIGN AFFAIRS AND TRADE PORTFOLIO OVERVIEW

#### MINISTERS AND PORTFOLIO RESPONSIBILITIES

The overarching objective of Australia's foreign and trade policy is to advance Australia's national interest - the security and prosperity of Australians - by contributing to improvements in international security, national economic and trade performance and global cooperation.

The Minister for Foreign Affairs and the Minister for Trade are the two portfolio ministers. There are three Parliamentary Secretaries with responsibilities for Trade, Pacific Island Affairs and International Development Assistance. The portfolio consists of the Department of Foreign Affairs and Trade (DFAT), the Australian Trade Commission (Austrade), the Australian Agency for International Development (AusAID), the Australian Centre for International Agricultural Research (ACIAR), the Australian Secret Intelligence Service (ASIS) and the Export Finance and Insurance Corporation (EFIC).

In 2009-10, the portfolio will seek to advance the national interest by enhancing Australia's relations multilaterally and bilaterally, heightening Australia's influence on global and regional developments and furthering national stability and prosperity.

The portfolio will work to reduce trade barriers and expand Australia's markets through the World Trade Organization (WTO) Doha Round of trade negotiations and through free trade agreements (FTAs) which complement and are supportive of the multilateral trading system. The portfolio will support efforts to improve the international competitiveness of the Australian economy and Australian exporters.

Providing efficient and effective consular services and a secure passport system to Australians is an enduring priority. The portfolio will project a positive image of Australia and promote a clear understanding of government policy.

The portfolio will manage and support Australia's overseas diplomatic network. It will manage efficiently the Commonwealth's overseas owned estate. It will continue programs to improve the security of Australia's network of overseas diplomatic missions and will maintain secure government communications. The portfolio will service and engage the diplomatic and consular corps in Australia.

Through Austrade, the portfolio will advance Australian trade and investment interests through the delivery of integrated services and strategies to business, industry and governments, allowing them to establish and grow their export and international business outcomes, including through the TradeStart and Corporate Partnership initiatives.

Working with state and territory governments, Austrade will facilitate and secure productive foreign direct investment that enhances national prosperity. Through its Global Opportunities program it will provide export and investment facilitation to help expand the international competitiveness of industry clusters. Austrade will also administer the Export Market Development Grants scheme.

Through AusAID, the aid program helps developing countries reduce poverty and achieve sustainable development, in line with Australia's national interest. In 2009-10, the aid program will prioritise efforts to respond to the impacts of the global economic crisis on Australia's development partners and continue to advance the Millennium Development Goals (MDGs). Expanded assistance will be provided to support delivery of basic health and education services, improve food security, strengthen growth and employment through infrastructure and promote more effective governance.

ACIAR will contribute to poverty reduction in the Asia-Pacific region and Southern and Eastern Africa through research projects that support the whole-of-government *Overseas Development Assistance - Food Security Through Rural Development* initiative. ACIAR will also administer, on behalf of the Australian Government, Australia's contribution to global agricultural productivity through an increased investment in the Consultative Group for International Agricultural Research.

Through ASIS, the portfolio will continue to enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect identified interests.

Through EFIC, the portfolio will help Australian exporters and companies investing in projects overseas to gain access to internationally competitive finance and insurance services. It will provide financial facilities for exporters of all sizes, including loans, guarantees, medium-term credit insurance and political risk insurance bonds. It will continue to manage the National Interest Account.

Figure 1: Foreign Affairs and Trade portfolio structure and outcomes

# Minister for Foreign Affairs The Hon Stephen Smith MP Parliamentary Secretary for International Development Assistance The Hon Bob McMullan MP Parliamentary Secretary for Pacific Island

Affairs
The Hon Duncan Kerr SC MP

#### Minister for Trade The Hon Simon Crean MP

Parliamentary Secretary to the Minister for Trade The Hon Anthony Byrne MP

#### Department of Foreign Affairs and Trade Secretary, Mr Michael L'Estrange AO

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate

### Australian Agency for International Development Director General, Mr Bruce Davis

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

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

#### Australian Centre for International Agricultural Research Chief Executive Officer, Mr Peter Core

Outcome 1 Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems

#### Australian Secret Intelligence Service Acting Director-General, Mr Steven Robinson

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

#### Australian Trade Commission Chief Executive Officer, Mr Peter O'Byrne

Outcome 1 A dvance Australia's trade and investment through information, advice and services to businesses, industry and governments

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive consular and passport services in specific locations overseas

#### **PORTFOLIO RESOURCES**

Table 1 shows the total resources provided to the portfolio in the 2009-10 budget year, by agency.

Table 1: Portfolio resources 2009-10

	Α	Appropriation Receipts			
	Bill No. 1	Bill No. 2	Special		
	\$'000	\$'000	\$'000	\$'000	\$'000
Department of Foreign Affairs and					
Trade					
Administered appropriations	400,646	75,000	650		476,296
Departmental appropriations	928,154	99,258	-	48,859	1,076,271
Total:	1,328,800	174,258	650	48,859	1,552,567
Australian Trade Commission					
Administered appropriations	200,400				200,400
Departmental appropriations	200,521	13,223		26,000	239,744
Total:	400,921	13,223	-	26,000	440,144
AusAID					
Administered appropriations	2,837,268	6,252		4,538	2,848,058
Departmental appropriations	133,153	1,608		231	134,992
Total:	2,970,421	7,860	-	4,769	2,983,050
Australian Centre for					
International Agricultural					
Research					
Administered appropriations	53,831				53,831
Departmental appropriations	9,808				9,808
Total:	63,639	-	-	-	63,639
Australian Secret Intelligence					
Service					
Administered appropriations					-
Departmental appropriations	202,404	12,816		32,461	247,681
Total:	202,404	12,816	-	32,461	247,681
	R	esources ava	ailable with	in Portfolio:	5,287,08

# AGENCY RESOURCES AND PLANNED PERFORMANCE

Department of Foreign Affairs and Trade (DFAT)	9
Australian Trade Commission (Austrade)	69
Australian Agency for International Development (AusAID)	101
Australian Centre for International Agricultural Research (ACIAR)	141
Australian Secret Intelligence Service (ASIS)	171

# Department of Foreign Affairs and Trade (DFAT)

Agency resources and planned performance

### DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

Sectio	n 1: Agency overview and resources	13
1.1	Strategic direction	13
1.2	Agency resource statement	16
1.3	Budget measures	18
1.4	Transition from outcomes and outputs to outcomes and programs	22
Sectio	n 2: Outcomes and planned performance	25
2.1	Outcomes and performance information	25
Sectio	n 3: Explanatory tables and budgeted financial statements	50
3.1	Explanatory tables	50
3.2	Budgeted financial statements	54

#### DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

#### Section 1: Agency overview and resources

#### 1.1 STRATEGIC DIRECTION

In 2009-10, the Department will advance the Government's national security agenda through a range of strategies. The Budget measure *Enhanced Diplomacy - Advancing National Security and Protecting Australians Abroad - Resourcing* will enhance diplomatic resources, in line with the December 2008 *National Security Statement to the Australian Parliament*. As well as providing additional funding, it will remove the need for the Department to deliver the savings that were deferred or re-phased in the 2008-09 Budget and through the 2007-08 Additional Estimates.

Through the measure *Enhancing Australia's Regional Engagement*, the Department will support a further deepening of Australia's engagement with countries and regions of growing significance to Australia's national interest, including India, Pakistan, Africa and Latin America. These are relationships that directly affect Australia's economic, security, development and diplomatic interests, and this measure will enable the Department to pursue the Government's priorities more effectively.

With additional funding through the Budget measure *Protecting Australian Diplomatic* and Consular Posts Overseas – Security Enhancements, the Department will enhance security arrangements for Australia's overseas network, in line with an environment of increasing security risk. The measures Bangkok – New Chancery Construction and Jakarta – New Chancery Construction provide supplementary funding for the construction of new Australian embassies in Jakarta and Bangkok in more secure locations and with enhanced security features. The measure Kabul – New Chancery Construction Project Feasibility and Planning will provide for feasibility and planning work towards construction of a purpose-built, secure Australian chancery in Kabul, Afghanistan.

The Department will continue to place a high priority on providing an effective consular service to Australians overseas, including provision of accurate and accessible travel advice.

The Department will continue to work to revitalise engagement with the Pacific, as outlined in the Prime Minister's 'Port Moresby Declaration' of March 2008. The Budget measure *Enhanced Pacific Engagement* provides further resources to continue negotiations towards Pacific Partnerships for Development with a number of Pacific Island Forum countries and to pursue greater regional economic integration and trade. The Budget measure *Australian Consulate-General in Nauru – Continued Funding* will provide continuity in our Pacific engagement.

The Department will advance Australia's interests multilaterally, reinvigorating Australia's participation in the United Nations (UN) and other international groupings. The Budget measure *United Nations Security Council - Candidacy* will continue resourcing for the next two years of the campaign to secure Australia's election in 2012 to a non-permanent seat on the UN Security Council (for the 2013-14 term).

The Department will strengthen its efforts to promote nuclear non-proliferation and disarmament. The Budget measure *International Commission on Nuclear Non-proliferation and Disarmament – Operational Costs* will allow the Department to continue to support the International Commission on Nuclear Non-proliferation and Disarmament, co-chaired by Australia and Japan.

The Department will work to further enhance Australia's security more broadly. It will do so through close cooperation with Australia's allies and security partners in countering terrorism and extremism. The Budget measure International Counter-Terrorism Capability and Programs will provide for the continuation of the counter-terrorism Department's activities, addressing specific regional counter-terrorism and counter-radicalisation challenges in South-East Asia. Budget measure Global Terrorism: Enhancing Australia's Commitment to Afghanistan will Department support provide resources enable the to whole-of-government engagement in Afghanistan.

The Department will strengthen its efforts to combat people smuggling in the region. The Budget measure *Border Protection – Additional Resourcing to Combat People Smuggling – International Engagement to Prevent and Disrupt Maritime People Smuggling* will strengthen the Department's contribution to efforts to address this issue of ongoing importance to Australia's national security.

The Budget measure *Hosting the 35th Antarctic Treaty Consultative Meeting* provides funding towards Australia's hosting of the meeting in 2012. This reflects Australia's strong support of the Antarctic Treaty and continues the Department's active participation in Antarctic affairs.

The Department will work with key World Trade Organization (WTO) members to conclude the WTO Doha Round of trade negotiations. It will monitor the effects and implications for trade of the global economic crisis, and participate actively in the G20 and other multilateral forums to counter protectionism and facilitate economic recovery. It will seek to strengthen Australia's international competitiveness and export performance, and promote further regional integration in the Asia-Pacific region.

The Department will work to achieve further progress in negotiations on free trade agreements with China, Japan, Korea, the Gulf Cooperation Council and Malaysia. It will prepare for comprehensive free trade agreements with India and Indonesia, a

trade and economic cooperation agreement with Pacific Island countries and New Zealand, and a Trans-Pacific Partnership Agreement.

The Department will further deepen Australia's relationship with its key strategic ally, the United States, across a wide range of economic, political and security issues. It will continue to build close co-operation with the new Administration, advocating Australia's interests and the importance of our interaction. It will pursue bilateral as well as multilateral strategic, trade and investment goals in its engagement with the United States.

The Department will continue to strengthen cooperation in the Asia-Pacific region. It will pursue close ties with Japan, by far our largest export market. It will broaden the scope of productive engagement with China and continue preparations for Australia's participation in Shanghai World Expo 2010. It will build on work to date in developing Australia's role in East Asian institutional arrangements, particularly in relation to the proposed Asia-Pacific community. It will continue to engage actively in the Asia-Pacific Economic Cooperation (APEC) forum and the East Asia Summit.

The Department will advance Australia's interests with other major regional and bilateral partners. It will pursue continued strong relations with New Zealand, and will enhance its economic, security and broader interests in its engagement with European countries.

The Department will continue its contribution on the environment, including cooperation with the Department of Climate Change towards establishment of a global post-2012 climate change agreement, and will work in support of the Global Carbon Capture and Storage Initiative.

#### 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: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2009-10 as at Budget May 2009

	Estimate	Proposed	Total	Actual
	of prior +	at Budget =	estimate	available
	year amounts			appropriation
	available in			
	2009-10	2009-10	2009-10	2008-09
, -	\$'000	\$'000	\$'000	\$'000
Ordinary Annual Services <sup>1</sup>				
Departmental appropriation				
Prior year departmental appropriation <sup>4</sup>	215,439	-	215,439	-
Departmental appropriation	-	928,154	928,154	839,311
s.31 Relevant Agency receipts <sup>3</sup> Total	215,439	48,859	48,859	54,072
=	215,439	977,013	1,192,452	893,383
Administered expenses				
Outcome 1	-	393,896	393,896	357,156
Outcome 2	=	750	750	500
Payments to CAC Act Bodies  Total		6,000 <b>400,646</b>	6,000	9,700
<del>-</del>			400,646	367,356
Total ordinary annual services A	215,439	1,377,659	1,593,098	1,260,739
Other services <sup>2</sup>				
Departmental non-operating				
Equity injections	69,134	58,074	127,208	36,441
Previous years' outputs	<del>-</del> -	41,184	41,184	10,588
Total	69,134	99,258	168,392	47,029
Administered non-operating				
Administered Assets and Liabilities 8	<u> </u>	75,000	75,000	
Total		75,000	75,000	
Total other services B	69,134	174,258	243,392	47,029
Total Available Annual				
Appropriations	284,573	1,551,917	1,836,490	1,307,768
Special appropriations				
Special appropriations limited				
by amount				
Special Appropriation FMA Act,				
1997 s28	<u>-</u>	650	650	700
Total special appropriations C	<u>-</u>	650	650	700
Total appropriations excluding				
Special Accounts	284,573	1,552,567	1,837,140	1,308,468

Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2009-10 as at Budget May 2009 (continued)

		Estimate	Proposed	Total	Actual
		of prior +	at Budget =	estimate	available
		year amounts	at Daaget	001111010	appropriation
		available in			арргорпацоп
		2009-10	2009-10	2009-10	2008-09
		\$'000	\$'000	\$'000	\$'000
Special Accounts	_	Ψ σ σ σ σ	Ψοσο	ΨΟΟΟ	Ψ 000
Opening balance <sup>5</sup>		182,727	_	182,727	215,585
Appropriation receipts <sup>6</sup>		102,727	138,774	138,774	146,575
Appropriation receipts Appropriation receipts		-	130,774	130,774	140,575
- other agencies <sup>7</sup>			44.000	44.000	10.505
•		-	44,269	44,269	43,525
Non-appropriation receipts to					
Special Accounts	_	<u> </u>	9,468	9,468	25,529
Total Special Account	D_	182,727	192,511	375,238	431,214
Total resourcing					
A+B+C+D		467,300	1,745,078	2,212,378	1,739,682
Less appropriations drawn from	_		, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , , , , , , , , , ,	,,
annual or special appropriations above					
and credited to special accounts		_	(138,774)	(138,774)	(146,575)
and/or CAC Act bodies through			(.00,111)	(.55,111)	(.10,070)
annual appropriations		_	(81,000)	(81,000)	(9,700)
Total net resourcing for DFAT	_	467,300	1,525,304	1,992,604	1,583,407

<sup>&</sup>lt;sup>1</sup>Appropriation Bill (No.1) 2009-10

Reader note: All figures are GST exclusive.

#### Third Party Payments from and on behalf of other agencies

		2009-10	2008-09
		\$'000	\$'000
Receipts received from other agencies for the provision of services (disclosed above within s.31 Relevant Agency receipts)		48,859	54,072
Payments made to CAC Act bodies within the portf Export Finance and Insurance Corporation	olio Appropriation Acts 1&2	81,000	9,700

<sup>&</sup>lt;sup>2</sup> Appropriation Bill (No.2) 2009-10

<sup>&</sup>lt;sup>3</sup> s31 Relevant Agency receipts - estimate

<sup>&</sup>lt;sup>4</sup> Estimated adjusted balance carried from previous year for Annual Appropriations

<sup>&</sup>lt;sup>5</sup> Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.2.

<sup>&</sup>lt;sup>6</sup> Appropriation receipts from DFAT's annual and special appropriations for 2008-09 included above

<sup>&</sup>lt;sup>7</sup> Appropriation receipts from other agencies credited to DFAT's special accounts

<sup>&</sup>lt;sup>8</sup> The Administered Assets and Liabilities appropriation has been provided to DFAT to allow payment to the Export Finance and Insurance Corporation (a CAC Act body) in relation to the measure *Overseas Development Assistance-Debt to Health Swap with Government of Indonesia*. The appropriation will be transferred to the Export Finance and Insurance Corporation commencing in 2011-12, once the Memorandum of Understanding with Indonesia is finalised.

<sup>&</sup>lt;sup>9</sup> Excludes parameter and foreign exchange no win no loss adjustments totalling \$7.9 million for 2008-09, which have not yet been appropriated.

<sup>&</sup>lt;sup>10</sup> Excludes the measure *Thailand - repatriation of Australian citizens and permanent residents,* valued at \$0.1 million, which has not yet been appropriated.

#### 1.3 BUDGET MEASURES

Budget measures relating to the Department of Foreign Affairs and Trade are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2009-10 Budget measures

Table 1.2. Agency 2003-10 Budge	Program		2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
Expense measures		ΨΟΟΟ	ΨΟΟΟ	ΨΟΟΟ	ΨΟΟΟ	Ψοσο
APEC Business Advisory Council (ABAC) - hosting an ABAC meeting in 2010 and secretariat support	1.1					
Departmental expenses		_	250	_	_	_
Total		_	250	-	_	_
Australian Consulate-General in Nauru - continued funding <sup>1</sup>	1.1					
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Border protection - additional resourcing to combat people smuggling - international engagement to prevent and disrupt maritime people smuggling <sup>2</sup>	1.1					
Departmental expenses		-	4,106	4,555	-	-
Total		-	4,106	4,555	-	-
Enhanced crisis coordination facilities <sup>3</sup>	3.1					
Departmental expenses		-	552	662	662	664
Total		-	552	662	662	664
Enhanced diplomacy - advancing national security and protecting Australians abroad - resourcing	1.1, 2.1, 3.1					
Departmental expenses		-	18,791	22,056	29,248	35,118
Total		-	18,791	22,056	29,248	35,118
Enhanced Pacific engagement	1.1					
Departmental expenses		-	1,904	1,876	-	-
Total		-	1,904	1,876	-	-
Enhancing Australia's Regional Engagement	1.1, 2.1, 3.1					
Departmental expenses		-	13,326	23,725	25,149	29,994
Total		-	13,326	23,725	25,149	29,994
Global Terrorism - enhancing Australia's commitment to Afghanistan <sup>4</sup>	1.1					
Departmental expenses		_	4,104	2,654	1,753	2,056
Total		-	4,104	2,654	1,753	2,056
Hosting the 35th Antarctic Treaty Consultative Meeting	1.4					
Administered expenses		-	13	29	1,386	-
Total		-	13	29	1,386	-

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

Table 1.2: Agency 2009-10 Budget measures (continued)						
	Program		2009-10	2010-11	2011-12	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures (continued)						
International Commission on Nuclear	1.1					
Non-proliferation and Disarmament -						
operational costs						
Departmental expenses		-	7,660	1,579	-	-
Total		-	7,660	1,579	-	-
International Counter-Terrorism Capability	1.1					
and Programs <sup>5</sup>						
Departmental expenses		-	-	-	-	-
Total	0.4	-	-	-	-	-
Jakarta - new Chancery construction <sup>6</sup>	3.1					
Departmental expenses		-	500	400	400	-
Total		-	500	400	400	-
Kabul - new chancery construction project	3.1					
feasibility and planning			2 000			
Departmental expenses		-	3,000	-	-	-
Total Oversees development assistance	1.4	-	3,000	-	-	-
Overseas development assistance - Debt to Health Swap with Government of	1.4					
Indonesia 7						
Administered expenses		_	_	_	_	_
Total		_	_	_	_	_
Overseas development assistance -	1.1					
Regional Assistance Mission to						
Solomon Islands - continuation 8						
Departmental expenses		-	3,751	3,637	3,844	3,719
Total		-	3,751	3,637	3,844	3,719
Pandemic influenza preparedness -	1.1					
maintaining the delivery of Australian						
Government services overseas						
Departmental expenses		-	418	11	-	-
Total		-	418	11	-	-
Protecting Australian diplomatic and	3.1					
consular posts overseas - security						
enhancements						
Departmental expenses		-	6,492	8,480	9,342	11,241
Total		-	6,492	8,480	9,342	11,241
Regional chemical, biological, radiological	1.1					
and nuclear security 9						
Departmental expenses		-	-	-	-	-
Total	0.0	-	-	-	-	-
Thailand - repatriation of Australian	2.3					
citizens and permanent residents Administered expenses		102				
Total		102 102	-			
		102				

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

Table 1.2: Agency 2009-10 Budget measures (continued)						
	Program	2008-09	2009-10	2010-11	2011-12	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures (continued)						
Trans-Pacific Partnership Agreement	1.1					
negotiation - Australia's participation 10						
Departmental expenses		_	_	_	_	_
Total		_	_	_	_	
Travellers' Emergency Loans and Consular	2.3					
Emergency Services Schemes						
Administered expenses		_	250	250	250	250
Total			250	250	250	250
United Nations Security Council -	1.1	_	250	250	250	230
candidacy	1.1					
•			4.004	E 70E		
Departmental expenses		-	4,831	5,735	-	-
Total		-	4,831	5,735	-	•
Total expense measures						
Administered		102	263	279	1,636	250
Departmental		-	69,685	75,370	70,398	82,792
Total		102	69,948	75,649	72,034	83,042
Capital measures						
Bangkok - new Chancery	3.1					
construction <sup>11</sup>	0.1					
Departmental capital		_	_	_	_	51,907
Total				_		51,907
Border protection - additional resourcing to	1.1	_	-	-	-	51,907
combat people smuggling - international	1.1					
engagement to prevent and disrupt						
maritime people smuggling <sup>2</sup>						
			4 000			
Departmental capital		-	1,063	-	-	-
Total		-	1,063	-	-	-
Enhanced crisis coordination facilities <sup>3</sup>	3.1					
Departmental capital		-	2,974	-	-	-
Total		-	2,974	-	-	-
Enhanced diplomacy - advancing national	1.1, 2.1,					
security and protecting Australians abroad -	3.1					
resourcing						
Departmental capital		-	225	180	540	315
Total		-	225	180	540	315
Enhancing Australia's Regional	1.1, 2.1,					
Engagement	3.1					
Departmental capital	<b>.</b>	_	6,458	7,378	_	
Total			6,458	7,378		
Global Terrorism - enhancing Australia's	1.1	•	0,400	1,310	-	•
commitment to Afghanistan <sup>4</sup>	1.1					
S S			205			
Departmental capital		-	325	-	-	-
Total		-	325	-	-	-

	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
Capital measures (continued)						
Jakarta - new Chancery construction <sup>6</sup>	3.1					
Departmental capital		-	-	-	-	107,417
Total		-	-	-	-	107,417
Overseas development assistance -	1.1					
Regional Assistance Mission to						
Solomon Islands - continuation <sup>8</sup>						
Departmental capital		-	237	129	36	15
Total		-	237	129	36	15
Protecting Australian diplomatic and	3.1					
consular posts overseas - security enhancements						
			10 504	2.425	1 100	1.471
Departmental capital  Total		_	12,584 <b>12.584</b>	3,435 <b>3,435</b>	1,188 <b>1.188</b>	1,471 <b>1,471</b>
United Nations Security Council -	11	_	12,004	0,400	1,100	1,771
candidacy	1.1					
Departmental capital		_	585	_	_	-
Total		-	585	-	-	-
Total capital measures						
Administered		-	-	-	-	-
Departmental		-	24,451	11,122	1,764	161,125
Total		-	24,451	11,122	1,764	161,125

#### Notes:

- 1. The Government is providing \$8.8 million over four years for the measure *Australian Consulate-General in Nauru continued funding*. As this amount is already included in the Forward Estimates, the table shows zero funding.
- 2. Full measure description and package details appear in Budget Paper No. 2 under the Department of Immigration and Citizenship, which is the lead agency for this measure.
- 3. Full measure description and package details appear in Budget Paper No. 2 under the Attorney-General's Department, which is the lead agency for this measure.
- 4. Full measure description and package details appear in Budget Paper No. 2 under the Department of Defence, which is the lead agency for this measure.
- 5. The Government is providing \$28.1 million over three years from 2010-11 for the measure *International Counter-Terrorism Capability and Programs*. As this amount is already included in the Forward Estimates, the table shows zero funding.
- 6. The new chancery construction in Jakarta will be funded through both the Overseas Property Special Account and the Appropriation Bills.
- 7. The Government is providing \$75 million in 2009-10 for the measure *Overseas development assistance Debt to Health Swap with Government of Indonesia*. As this has no impact on fiscal balance on a whole-of-government basis, the table shows zero funding over four years. This measure is being implemented in conjunction with the Australian Agency for International Development (AusAID) and the Export Finance and Insurance Corporation (EFIC).
- 8. The Government is providing \$29.0 million to DFAT over four years for the measure *Overseas development assistance Regional Assistance Mission to Solomon Islands continuation*. As \$13.6 million for this initiative is already included in the Forward Estimates, the table shows only funding of \$15.4 million over four years.
- 9. The Government is providing \$1.2 million over three years from 2010-11 for the measure *Regional chemical, biological, radiological and nuclear security*. As this amount is already included in the Forward Estimates, the table shows zero funding.
- 10. The measure *Trans-Pacific Partnership Agreement Negotiation Australia's Participation* will be funded through existing departmental resources.
- 11. The new chancery construction in Bangkok will be funded through both the Overseas Property Special Account and the Appropriation Bills.

### 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.

#### Figure 2: Transition table

#### 2008-09 Budget year

Outcome 1: Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global cooperation.

Output Group 1.1: Protection and advocacy of	:
Australia's international interests through the	
provision of policy advice to ministers and	
overseas diplomatic activity	
Administered Items:	
Payments to CAC Act Bodies - EFIC	P 1.4
Other	P 1.4
Payments to International	P 1.2
Organisations	
Departmental Outputs:	
Program Management	P 1.1

Output Group 1.2: Secure government	
communications and security at overseas	
missions	
Departmental Outputs:	
Program Management	P 3.2

Output Group 1.3: Services to other agencies	in	
Australia and overseas (including Parliament,		
state representatives, business and other		
organisations)		
Departmental Outputs:		
Program Management	P 1.1	

Output Group 1.4: Services to diplomatic and	
consular representatives in Australia	
Administered Items:	
Other	P 1.4
Departmental Outputs:	
Program Management	P 1.1

#### 2009-10 Budget year

Outcome 1:The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities.

Program 1.1: Other Departmental	
Program Support:	
Program Management (Advocacy and	OG 1.1
Protection of Australia's Interests)	
Program Management (Services to	OG 1.3
Other Agencies)	
Program Management (Services to	OG.1.4
Diplomatic/Consular Representatives)	
Program Management (Public	OG 3.1
Information Services and Public	
Diplomacy)	

Program 1.2: Payments to International Organisations	
Administered Items:	
Payments to International	OG 1.1
Organisations	

Program 1.3: Public Information Services at	nd
Public Diplomacy (Administered)	
Administered Items:	
Shanghai World Expo (Special	OG 3.1
Account)	
Australia Network	OG 3.1
International Relations Grants	OG 3.1

Program 1.4: Other Administered	
Administered Items:	
Payments to CAC Act Bodies - EFIC	OG 1.1
Other	OG 1.4

#### Figure 2: Transition table (continued)

Outcome 2: Australians informed about and provided access to consular and passport services in Australia and overseas.

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas.

Output Group 2.1: Consular and passport	
services	
Administered Items:	
Consular Services	P 2.3
Special Appropriation FMA Act,	
1997 s28 (A)1	P 2.4
Departmental Outputs:	
Program Management	P 2.1
	& P 2.2

Program 2.1: Consular Services (Departmental)			
Program Support:			
Program Management (Consular)	OG 2.1		

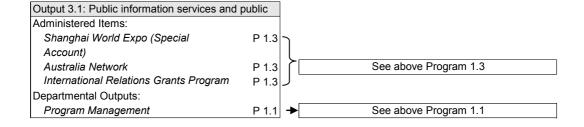
Program 2.2: Passport services (Departmental)		
Program Support:		
Program Management (APO)	OG 2.1	

Program 2.3: Consular Services (Adminis	stered)
Administered Items:	
Consular Services (TELs/CES)	OG 2.1

Program 2.4: Passport services	
Administered Items:	
Special Appropriation FMA Act,	OG 2.1
1997 s28 (A)1	

Outcome 3: Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally.

Note: Outcome 3 for 2008-09 has been integrated into the new Outcome 1 (above).



#### Figure 2: Transition table (continued)

Outcome 4: Efficient management of the Commonwealth overseas owned estate.

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate.

Outrot A.A. Durananti Manananant	
Output 4.1: Property Management	
Departmental Outputs:	
Special Account Overseas Property	P 3.2
Account - Finance determination	
2002-01 (D)	

Program 3.1: Other Departmental	
Program Support:	
Program Management (Security	OG 1.2
and IT)	

Output 4.2: Contract Management	
Departmental Outputs:	
Special Account Overseas Property	
Account - Finance determination	
2002-01 (D)	P 3.2

Program 3.2: (Overseas Property)	
Program Support:	
Special Account Overseas Property	OG 4.1
Account - Finance determination	&
2002-01 (D)	OG 4.2

#### 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 on the Australian community. 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 the Department of Foreign Affairs and Trade in achieving government outcomes.

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities

#### **Outcome 1 Strategy**

This outcome reflects the Department's primary responsibility for developing and implementing international policies on matters of security, trade and global cooperation that advance Australia's national interests. The majority of the Department's financial and human resources are directed to the achievement of Outcome 1.

As highlighted earlier in the 2009-10 Strategic Direction, the Department will advance a number of key strategies in support of the Government's national security agenda. These strategies are aimed at: promoting a more stable regional and global security environment; contributing to national prosperity by strengthening Australia's international trade competitiveness and export performance, and improving access to overseas markets for Australian exports through multilateral, regional and bilateral means; strengthening global cooperation in such areas as the environment, human rights and good governance; working multilaterally to address global challenges and to advance Australia's interests, including our United Nations Security Council candidacy for the 2013-14 term; and enhancing international awareness and understanding of Australia's policies and society to the benefit of our foreign and trade policy goals.

As the lead agency managing Australia's external affairs, the Department has a central role in the development and implementation of whole-of-government international policy. It provides leadership at Australian diplomatic missions overseas. It also manages and maintains Australia's diplomatic network, including the provision of services to other agencies represented overseas, and services to diplomatic and consular representatives in Australia.

#### **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: The advancement of Australia's international strategic,	2008-09	2009-10
security and economic interests including through bilateral,	Estimated	Estimated
regional and multilateral engagement on Australian Government	Actual	Expenses
foreign and trade policy priorities	Expenses	·
	\$'000	\$'000
Program 1.1: Other Departmental		·
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup>	462,282	507,810
Revenues from Independent Sources (Section 31)	47,269	48,969
Expenses not requiring Appropriation in the Budget year	1,490	1,727
Total for Program 1.1	511,041	558,506
Program 1.2: Payments to International Organisations		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	292,600	330,700
Total for Program 1.2	292,600	330,700
Program 1.3: Public Information Services and Public Diplomacy		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	23,572	24,083
Special Accounts	45,877	36,131
Total for Program 1.3	69,449	60,214
Program 1.4: Other Administered		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	13,489	8,782
Other services (Appropriation Bill No. 2)	-	75,000
Expenses not requiring Appropriation in the Budget year	(800)	200
Total for Program 1.4	12,689	83,982
Outcome 1 Totals by Appropriation type		·
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	329,661	363,565
Other services (Appropriation Bill No. 2)	-	75,000
Special Accounts	45,877	36,131
Expenses not requiring Appropriation in the Budget year	(800)	200
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	462,282	507,810
Revenues from Independent Sources (Section 31)	47,269	48,969
Special Appropriations	-	-
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	1,490	1,727
Total Expenses for Outcome 1	885,779	1,033,402
	2008-09	2009-10
Average Staffing Level (number) <sup>2</sup>	1,965	2,027
· · · · · · · · · · · · · · · · · · ·		

Notes: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

<sup>1.</sup> These expenses include a portion of an intra-entity amount of \$102.6 million representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

<sup>2.</sup> ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 - Programs 2.1 and 2.3 (Consular Services).

#### **Contributions to Outcome 1**

#### Program 1.1: Other Departmental - DFAT

#### **Program Objective**

- To protect and advance the national interest through engaging in effective advocacy and overseas diplomatic activity which promote Australia's international political, security, economic and multilateral interests. To ensure the accurate and timely provision of policy advice to Ministers to meet the challenges of an evolving international environment.
- To protect and advance the national interest through a whole-of-government approach to foreign and trade policy, including leading the development and implementation of such policy, negotiating to reduce barriers to Australian trade and investment, providing leadership at overseas missions, and coordinating the overseas diplomatic network.
- To ensure the security and protect the dignity of the diplomatic and consular corps serving in Australia by delivering a quality service and upholding Australia's obligations under the Vienna Conventions.
- To project a positive and contemporary image of Australia, and to promote a clear understanding of the Government's foreign and trade policies, through the delivery of high-quality and innovative public and cultural diplomacy programs.

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name Annual departmental expenses:					
Other Departmental - DFAT	511,041	558,506	558,340	561,541	570,249
Total program expenses	511,041	558,506	558,340	561,541	570,249

#### **Program 1.1 Deliverables**

- A heightened role for Australia in promoting non-proliferation and disarmament
  of weapons of mass destruction and other arms control efforts, including through
  the International Commission on Nuclear Non-proliferation and Disarmament
  (ICNND).
- Effective coordination of whole-of-government approaches to counter-terrorism programs and activities outside Australia, particularly focusing on South-East Asia, and also in concert with broader multilateral efforts.
- Effective contribution to whole-of-government approaches in promoting stability and reconstruction in Afghanistan.
- Reinvigorated engagement with the United Nations (UN), and international support for Australia's election to the UN Security Council for the 2013-14 term.
- Effective whole-of-government efforts in bilateral and regional diplomacy to counter people smuggling, in particular by reinvigorating the Bali Process on People Smuggling and Trafficking.
- Effective advocacy to strengthen good governance and democracy, including advocacy of human rights.
- Provision of advice relating to compliance with international legal obligations, and an effective contribution to the development of a strong international legal framework.
- Effective contributions that advance Australia's climate change and environment objectives, including in relation to:
  - strategies for the post-2012 climate change negotiations
  - promotion of Australia's Carbon Pollution Reduction Scheme
  - hosting the 35th Antarctic Treaty Consultative Meeting in 2012
  - stemming illegal, unregulated and unreported fishing
  - Japan's 'scientific whaling' program.
- Strong leadership in advancing Australia's multilateral trade and economic interests, including:
  - effective participation in the World Trade Organization (WTO), including

progress toward an ambitious outcome in the Doha Round

- strong leadership of the Cairns Group of agricultural exporting countries
- effective contribution to resolving economic and trade policy issues through the G20 process.
- Effective leadership in advancing Australia's free trade agreement (FTA) agenda, including negotiating and implementing FTAs, and exploring opportunities for new FTAs.
- Further enhancing Australia's strong alliance with the United States by building on economic, strategic, defence and intelligence cooperation, and enhancing high level political engagement, including through mechanisms such as the Australia United States Ministerial Consultations (AUSMIN).
- Enhanced engagement with the European Union (EU) on a range of economic and security interests, and strengthened bilateral cooperation, in particular with the United Kingdom, on shared defence and security interests.
- Continued strong relations with Canada.
- Strong relations with North Asia, including:
  - Japan through wide-ranging economic and security co-operation
  - China through wide-ranging political and economic engagement
  - the Republic of Korea through co-operation on economic and security issues.
- Strong relations with South Asia, particularly:
  - India through high level political and economic engagement
  - Pakistan through counter-terrorism and law enforcement cooperation and development assistance.
- An advanced role for Australia in the Asia-Pacific, including by:
  - contributing effectively to Asia-Pacific Economic Cooperation (APEC) and other regional forums
  - enhancing the role of the East Asia Summit
  - encouraging consensus on an Asia-Pacific community

- building on regional economic and trade reform efforts.
- Enhanced regional cooperation and strengthened architecture in South-East Asia to meet emerging strategic and economic challenges, including by:
  - working with the Association of Southeast Asian Nations (ASEAN) on existing partnerships
  - supporting regional responses to terrorism, people smuggling and the global financial crisis
  - expanding our partnerships with Indonesia, Vietnam, Malaysia and Singapore.
- Enhanced engagement with Pacific Island countries, including effective coordination of whole-of-government approaches to the Government's *Enhanced Pacific Engagement Strategy*, as well as through:
  - Pacific Partnerships for Development
  - Pacific Agreement on Closer Economic Relations (PACER) Plus trade and economic cooperation
  - encouraging an early return to democracy in Fiji
  - continuing the operations of the Australian Consulate-General in Nauru.
- Promoting political stability, economic growth and security in the region, including through program support and cooperation activities in:
  - East Timor
  - Solomon Islands through effective leadership of the Regional Assistance Mission to Solomon Islands (RAMSI).
- Further deepening our important and wide-ranging relationship with New Zealand.
- Stronger relations with the countries of Africa and the African Union through trade and investment, multilateral cooperation and high-level contact.
- Enhanced cooperation with Latin America and the Caribbean.
- Strong support for peace and stability in the Middle East, and advancing our trade and economic interests with the region.
- · Closer engagement with the countries of the Gulf, including the Gulf

- Cooperation Council (GCC), including through negotiation of a free trade agreement with the GCC.
- High quality public diplomacy, international media and cultural visit programs which promote an image of Australia and Australian Government policies that are accurate, positive and contemporary.
- Effective consultation and liaison with, and provision of advice to, external clients on portfolio and whole-of-government issues, particularly trade issues. External clients include state and territory governments, industry and business representatives, non-government organisations (NGOs) and members of the public.
- Effective leadership of, and provision of advice and support to, other government agencies at overseas missions, in line with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and service level agreements.
- Quality service and support by overseas missions to high-level Australian visitors and their delegations, including members of Parliament, State Premiers and senior officials.
- High quality service and support to the diplomatic and consular corps serving in Australia, including with respect to the facilitation of accreditation and diplomatic visas, and the security and protection of the dignity of diplomatic missions and their personnel.

#### **Program 1.1 Key Performance Indicators**

- The Department's delivery of policy advice to Ministers and high-level clients is well-judged, timely, accurate, well-coordinated, and in support of Australia's national interests.
- The Department's advocacy, negotiation and liaison with stakeholders on Australia's political, security and economic interests is effective, collaborative and persuasive in encouraging an understanding of, and alignment towards, Australia's policy positions, and Australia's interests in these areas are advanced.
- The Department's leadership in counter-terrorism and non-proliferation and disarmament efforts is effective, collaborative and persuasive, and contributes positively to regional and international outcomes that help ensure the security and prosperity of Australians.

- The Department's work multilaterally to address global challenges and advance Australia's interests is effective, collaborative and persuasive, and contributes towards outcomes that promote peace and prosperity.
- The Department assists in maintaining a high level of Australian compliance with international legal obligations through provision of appropriate advice, and the Department's advocacy contributes positively toward the development of a strong international legal framework.
- The Department's advancement of bilateral, regional and multilateral trade interests is effective, consultative and persuasive, and contributes positively to advancing Australia's trade interests, as well as towards improved market access and expanded trade and investment opportunities for Australia.
- The Department's efforts to maintain and strengthen bilateral and regional relationships are effective and timely, delivering support for Australia's foreign and trade policy objectives, and increased linkages and opportunities for substantive engagement through both formal and informal channels.
- The Department's delivery of public diplomacy, cultural and media programs is
  efficient, resourceful, well-targeted and accurate, and assists in the promotion of
  a contemporary and positive understanding of Australia and the Government's
  foreign and trade policies.
- Government agencies at overseas missions are satisfied with the level of DFAT service provided in accordance with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and the relevant service level agreement in place.
- High-level Australian visitors overseas are satisfied with the level of logistic and administrative support provided by overseas missions (including with the timeliness and efficiency of support), with the depth of local knowledge and contacts, and the relevance of on-the-ground policy advice to their visit objectives.
- The diplomatic and consular corps posted or accredited to Australia is satisfied
  with the level of service provided, including in terms of responsiveness and
  timeliness in resolving issues and meeting Australia's obligations under the
  Vienna Conventions.

#### **Program 1.2: Payments to International Organisations (Administered)**

#### **Program Objective**

• To advance Australia's foreign, trade and security interests by administering the payments of Australian Government contributions to international organisations.

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name					
Annual administered expenses:					
Payments to International Organisations	292,600	330,700	330,700	330,700	330,700
Total program expenses	292,600	330,700	330,700	330,700	330,700

# **Program 1.2 Deliverables**

• Payments of Australian Government contributions to international organisations.

# **Program 1.2 Key Performance Indicators**

• The Department's delivery of payments to international organisations is correct, appropriate, on time and within budget.

# **Program 1.3: Public Information Services and Public Diplomacy** (Administered)

# **Program Objective**

 To advance the national interest through the Department's public diplomacy, cultural and media activities, which will project a positive and contemporary image of Australia and promote a clear understanding of government policy and programs.

#### **Program Expenses**

	Revised budget 2008-09	Budget estimate 2009-10	Forward estimate 2010-11	Forward estimate 2011-12	Forward estimate 2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name					
Annual administered expenses:					
International Relations Grants Program	4,741	4,794	4,594	4,594	4,594
Australia Network	18,831	19,289	19,354	19,354	19,354
Special Account expenses:					
Expositions Special Account	45,877	36,131	15,470	-	-
Expenses not requiring Appropriation in the Budget year - Shanghai World Expo expenses					
funded through Sponsorship Received	-	-	(10,000)	-	-
Total program expenses	69,449	60,214	29,418	23,948	23,948

### **Program 1.3 Deliverables**

- Effective management of the contract with the Australian Broadcasting Corporation (ABC) to deliver an Asia-Pacific television service which provides a credible and reliable voice in the region, and presents images and perceptions of Australia in an independent and impartial manner.
- Grants in support of the Government's foreign and trade policy goals, including through bilateral foundations, councils and institutes, which help promote people-to-people links and a contemporary and positive image of Australia.
- Management of Australia's participation in Shanghai World Expo 2010, including delivery of an Australian pavilion and comprehensive business, culture and communications programs, all of which will highlight Australia's business expertise, innovation, creativity, culture and values to the Chinese market and a wider global audience.

#### **Program 1.3 Key Performance Indicators**

- The Department's delivery of public diplomacy, cultural and media programs is efficient and effective, including in:
  - promoting an image of Australia that is accurate and up-to-date
  - fostering an understanding of Australian foreign and trade policies
  - strengthening people-to-people links and trade and economic ties.

# **Program 1.4: Other Administered**

# **Program Objective**

• To advance the national interest by administering on behalf of the Commonwealth a range of programs, activities and services that promote Australia's international political, security, economic and multilateral policy agenda.

# **Program Expenses**

	Revised budget 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
Program component name					
Annual administered expenses:					
Export Finance and Insurance Corporation (EFIC) - National Interest Account Expenses	10,100	5,800	5,300	6,000	5,500
Overseas development assistance - Debt-to-Health Swap with Government of Indonesia		75,000			_
Hosting of the 35 <sup>th</sup> Antarctic Treaty Consultative Meeting		13	29	1,386	
Personal Benefits - Locally Engaged Staff	-	13	29	1,300	-
pension schemes	2,317	2,420	2,440	2,440	2,440
Other Adminstered Items	1,072	549	558	568	578
Expenses not requiring Appropriation in the Budget year - National Interest Account					
non-cash expenses	(800)	200	-	-	-
Total program expenses	12,689	83,982	8,327	10,394	8,518

#### **Program 1.4 Deliverables**

- Administration of the Export Finance and Insurance Corporation (EFIC) National Interest Account (under the *Commonwealth Authorities and Companies Act* 1997).
- Services to diplomatic and consular representatives in Australia.
- Preparations for the hosting of the 35<sup>th</sup> Antarctic Treaty Consultative Meeting in 2012.
- Management of cases of compensation for detriment caused by defective administration.

#### **Program 1.4 Key Performance Indicators**

• The Department's management of administered programs, activities and services on behalf of the Commonwealth is efficient, effective, timely and accountable.

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas

#### **Outcome 2 Strategy**

The Department is committed to supporting Australians overseas through a highly effective consular service, accurate and timely travel advice, practical contingency planning and rapid crisis response. With the additional resourcing for Travellers' Emergency Loans and Consular Emergency Services provided through the Budget, the Department can continue to provide a timely response to Australians in need of financial assistance overseas.

The Department will continue to give priority to managing the growing demands of consular casework. It will focus on further educating Australians about the importance of making informed travel choices and having realistic expectations of the consular services the Department can provide.

The Department has adopted more accurate passport forecasting models to enhance its operational planning to meet growing passport demand and maintain short turnaround times. Work is continuing to further enhance the Department's passport fraud detection, investigation and prevention measures. Passport security remains a focus and progress will be made in 2009-10 on the release of the next passport series.

#### **Outcome 2 Budgeted Expenses and Resources**

Table 2.1.1 provides an overview of the total expenses for Outcome 2, by program.

Table 2.1.1: Budgeted Expenses and Resources for Outcome 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	2008-09 Estimated Actual Expenses	2009-10 Estimated Expenses
	\$'000	\$'000
Program 2.1: Consular Services (Departmental)		
Departmental Expenses Ordinary Annual Services (Appropriation Bill No. 1) 1	79,978	80,975
Expenses not requiring Appropriation in the Budget year	37	37
Total for Program 1.1	80,015	81,012
Program 2.2: Passport Services (Departmental)		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1) 1	182,465	187,566
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	88	88
Total for Program 1.2	182,553	187,654
Program 2.3 Consular Services (Administered)		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	602	750
Total for Program 1.3	602	750
Program 2.4 Passport Services( Administered )		
Administered Expenses	700	050
Special Appropriations	700	650
Total for Program 1.4	700	650
Outcome 2 Totals by Appropriation type Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	602	750
Special Appropriations	700	650
	700	000
Departmental Expenses Ordinary Annual Services (Appropriation Bill No. 1)	262,443	268,541
Expenses not requiring Appropriation in the Budget year	125	125
	263,870	
Total Expenses for Outcome 2	203,070	270,066
•	2008-09	2009-10
Average Staffing Level (number) <sup>2</sup>	940	939

#### Notes:

Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

<sup>1.</sup> These expenses include a portion of an intra-entity amount of \$102.6 million representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2

 Programs 2.1 and 2.3 (Consular Services). The estimates for 2009-10 represent an increase of 4 ASL over 2008-09 levels for Program 2.1: Consular Services, offset by a decrease of 5 ASL for Program 2.2: Passport Services.

#### **Contributions to Outcome 2**

#### **Program 2.1: Consular Services (Departmental)**

#### **Program Objective**

 To protect the welfare of Australians abroad by supporting and assisting Australian travellers and Australians overseas through high quality consular services, including timely travel advice, practical contingency planning and rapid crisis response.

Linked to: Austrade Program 2.1: Consular and passport services

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name Annual departmental expenses:					
Consular Services	80,015	81,012	82,757	81,760	83,208
Total program expenses	80,015	81,012	82,757	81,760	83,208

#### **Program 2.1 Deliverables**

- High quality consular services to an increasing number of Australian travellers and Australian citizens living overseas, including notarial services and assistance with welfare issues, whereabouts enquiries, arrest or detention matters, deaths and medical emergencies.
- High quality travel advisory services, including issuing up-to-date travel information on travel destinations, promotion of this information through the smartraveller campaign using various media and travel-oriented networks, and management of an online travel registration service.
- Effective consular contingency planning for major events or high-risk scenarios, including through regular reviews of procedures and available resources, training of staff, and coordination with other government agencies and foreign governments.
- Coordination of whole-of-government responses to large-scale crises involving conflict, civil unrest, natural disasters or tragic accidents.

#### **Program 2.1 Key Performance Indicators**

- The Department's delivery of consular services is effective, efficient, timely and responsive, and within the scope of Australian Government responsibility.
- The Department's travel advisory services are up-to-date, accurate, responsive and effective in reaching a broad audience and encouraging a greater awareness of potential risks and the extent of Australian Government assistance, and
  - public use of the online registration service and *smartraveller* website continues to grow.
- Consular contingency planning accurately anticipates high risk events and scenarios, the necessary resources for response are readily available, the procedures and networks remain valid and viable, and plans are tested and reviewed regularly to satisfaction.
- Coordination of whole-of-government responses to large-scale crises is targeted, timely, consultative, resourceful and effective in maintaining the welfare of the maximum possible number of Australians involved.

#### **Program 2.2: Passport Services (Departmental)**

#### **Program Objective**

• To provide Australians access to secure international travel documentation through the delivery of a high quality passports service.

Linked to: Austrade Program 2.1: Consular and passport services

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name Annual departmental expenses:					
Passport Services	182,553	187,654	192,021	197,954	215,566
Total program expenses	182,553	187,654	192,021	197,954	215,566

#### **Program 2.2 Deliverables**

- High quality passport services to Australians, including processing new passport applications, registering lost or stolen passports, issuing emergency passports, and detecting passport fraud.
- Roll-out of a new passport series with enhanced security features and a more durable design.
- Effective management of an increasing workload, including maintenance of security standards, promotion of web-enabled services, and adherence to the client service commitment of passport issue within ten working days.

#### **Program 2.2 Key Performance Indicators**

- Public and travel industry clients are satisfied with the Department's efficiency
  and effectiveness in delivering passport services, with routine passports issued
  within ten working days and urgent passport issues dealt with in a timely and
  responsive manner.
- The demand for passport services is managed effectively, including in a way that
  maintains security, efficiency and responsiveness, and that builds on information
  technology capabilities and innovative solutions.

#### **Program 2.3: Consular Services (Administered)**

#### **Program Objective**

• To protect the welfare of Australians abroad by administering on behalf of the Commonwealth consular programs and activities that support and assist Australian travellers and Australians overseas.

Linked to: Austrade Program 2.1: Consular and passport services

#### **Program Expenses**

	Revised budget	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name					
Annual administered expenses:					
Consular Emergency Services	200	200	200	200	200
Thailand - repatriation of Australian citizens and permanent residents	102	-	-	-	-
Other Administered Appropriation Items:					
Travellers' Emergency Loans	300	550	550	550	550
Total program expenses	602	750	750	750	750

#### **Program 2.3 Deliverables**

- Payment and administration of Travellers' Emergency Loans (TELs) to Australians in need, in accordance with the guidelines of the DFAT Consular Handbook.
- Delivery of increased consular emergency services to Australians overseas, including medical evacuations and repatriations, in accordance with the guidelines of the DFAT Consular Handbook.
- Revenue collection of consular fees and recovery of loan debts.

#### **Program 2.3 Key Performance Indicators**

- Payment of Travellers' Emergency Loans is administered in a timely and efficient manner, in accordance with established guidelines and practices.
- Revenue collection of consular fees and recovery of loan debts is administered efficiently and effectively in accordance with established guidelines.
- Consular emergency services are delivered in a timely and responsive manner.

#### **Program 2.4: Passport Services (Administered)**

#### **Program Objective**

• To provide Australians access to secure international travel documentation by administering on behalf of the Commonwealth passport programs and activities which contribute to the delivery of a high quality passports service.

Linked to: Austrade Program 2.1: Consular and passport services

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name					
Special appropriations:					
Special Appropriation FMA Act s28 Passport Refunds	700	650	650	650	650
Total program expenses	700	650	650	650	650

#### **Program 2.4 Deliverables**

• Revenue collection and administration of passport fees.

#### **Program 2.4 Key Performance Indicators**

• Passport fees are collected and administered in a timely, efficient and accountable manner, in accordance with established guidelines and practices.

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate

#### **Outcome 3 Strategy**

The Department gives the highest priority to the safety of Australian Government personnel overseas, and the security of our diplomatic and consular posts. In 2009-10, the Department will enhance the protection of Australian diplomatic and consular posts by undertaking works which will strengthen security measures at a number of priority posts in line with the evolving security environment. This includes construction of new embassies in Jakarta and Bangkok in more secure locations.

The Department will continue to manage the Government's overseas network in an efficient and effective manner, including its owned overseas estate. In managing the overseas network, the Department operates in an inherently high risk overseas environment and needs to maintain a capability to respond promptly when new or unforeseen security-related challenges arise.

The Department will maintain a strategic forward five-year rolling plan for its overseas property that identifies future requirements for capital works and other major expenditure. In terms of the owned overseas estate, the plan will continue to aim to ensure that financial objectives, including the annual return of an agreed dividend to Government, a sound return on investment and a management-expense ratio consistent with property industry benchmarks, are achieved within the context of the Government's broader policy objectives.

#### **Outcome 3 Budgeted Expenses and Resources**

Table 2.1.2 provides an overview of the total expenses for Outcome 3, by program.

Table 2.1.2: Budgeted Expenses and Resources for Outcome 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of		
the Commonwealth's overseas owned estate  Program 3.1 Other Departmental	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
Departmental Expenses Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup> Expenses not requiring Appropriation in the Budget year	132,894 59	151,803 59
Total for Program 3.1	132,953	151,862
Program 3.2 Overseas Property Departmental Expenses Special Accounts	67,204	73,872
Total for Program 3.2	67,204	73,872
Outcome 3 Totals by Appropriation type Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	132,894	151,803
Special Accounts	67,204	73,872
Expenses not requiring Appropriation in the Budget year	59	59
Total Expenses for Outcome 3	200,157	225,734
	2008-09	2009-10
Average Staffing Level (number) <sup>2</sup>	556	597

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

<sup>1.</sup> These expenses include a portion of an intra-entity amount of \$102.6 million representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

<sup>2.</sup> ASL figures are estimates only. The 2009-10 figure includes 37 new ASL resulting from the conversion of contractors to Australian Public Service staff in line with the Department's obligations flowing from the Review of the Australian Government's Use of ICT, or Gershon Review.

#### **Contributions to Outcome 3**

#### **Program 3.1: Other Departmental**

#### **Program Objective**

• To ensure a secure Australian Government presence overseas by sustaining and improving security, and strengthening information and communications technology (ICT) capability at Australia's overseas missions.

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name Annual departmental expenses:					
Other Departmental	132,953	151,862	151,131	144,610	155,439
Total program expenses	132,953	151,862	151,131	144,610	155,439

#### **Program 3.1 Deliverables**

- Enhanced security measures at a number of priority overseas posts in line with the evolving security environment.
- Classified information safeguarded through effective management of ICT systems and security vetting processes, as well as through security training to staff to ensure a high level of security awareness and vigilance.
- Continued implementation of the Department's ICT Asset Refresh Program to 2010-11, which will lay the foundation for the progressive upgrade of the Department's ICT network infrastructure.
- Implementation of the agreed recommendations of the independent *Review of the Australian Government's Use of ICT* the Gershon Review including strengthened ICT capability through the recruitment of skilled ICT professionals and implementation of ICT training and development programs.
- High quality overseas ICT services to other government agencies.

# **Program 3.1 Key Performance Indicators**

- Security risks relating to safeguarded classified information are minimised to the extent possible, as evidenced by a low number of sensitive security breaches.
- Effective risk mitigation strategies in response to heightened security risks.
- Client satisfaction with the accessibility, reliability and effectiveness of the secure cable network (Official Diplomatic Information Network - ODIN) and the secure telecommunications infrastructure.

#### **Program 3.2: Overseas Property**

#### **Program Objective**

• To ensure a secure Australian Government presence overseas through the effective management of the Commonwealth's overseas owned estate, including through effective contract management.

#### **Program Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Program component name Special Account expenses:					
Overseas Property Special Account -					
Finance Determination 2002-01 (D)	67,204	73,872	72,289	71,923	68,028
Total program expenses	67,204	73,872	72,289	71,923	68,028

#### **Program 3.2 Deliverables**

- Effective management of a substantial construction program in the overseas property estate, including new chancery construction projects in Jakarta and Bangkok.
- Effective management of outsourced property contract arrangements.
- Effective management of the Overseas Property Special Account, consistent with the provisions of the Australian Government Property Ownership Framework.
- Progression of a feasibility study and planning towards a secure, purpose-built Australian Embassy in Kabul, Afghanistan.

#### **Program 3.2 Key Performance Indicators**

- Management of the overseas property estate meets the Government's property needs, achieves an appropriate return on investment, and accords with the principles set out in the Australian Government Property Ownership Framework.
- Management of the property services contract and construction project contracts is effective and accountable, and ensures that contractors deliver on intended results within agreed performance and cost targets.
- Tenant satisfaction with the condition and utility of the estate.

# 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. There has been no movement of administered funds between years for the Department since the 2008-09 Additional Estimates.

# 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 the Department of Foreign Affairs and Trade.

Table 3.1.2: Estimates of Special Account cash flows and balances

		Opening				Closing
		balance	Receipts	•	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australia-China Council Special Account - FMA Act	1	_	-	-	-	-
1997 s20 (A) *		66	-	(66)	-	-
Australia-France Endowment Special Account - FMA Act 1997 s20 (A) *	1	-	-	-	-	-
		5	-	(5)	-	-
Australia-India Council Special Account - FMA Act 1997 s20 (A) *	1	-	-	-	-	-
		87	-	(87)	-	_
Australia-Indonesia Institute Special Account - FMA Act 1997 s20 (A) *	1	-	-	-	-	-
<b>、</b>		34	380	(414)	-	-
Australia-Korea Foundation Special Account - FMA Act 1997 s20 (A) *	1	-	-	-	-	-
		111	-	(111)	-	-
Consular Services Special Account - FMA Act 1997 s20 (A)	2	-	100	100	-	-
(* ')		46	100	(146)	-	-
Australia-Japan Foundation Special Account - FMA Act 1997 s20 (A) *	1	-	-	-	-	-
		615	-	(615)	-	-
Expositions Special Accounts FMA Act 1997 s20 (A)	. 1	-	36,131	(36,131)	-	·
		54	45,877	(45,931)	-	-

<sup>(</sup>A) = Administered

<sup>(</sup>D) = Departmental

<sup>\*</sup> DFAT has requested that the Minister for Finance and Deregulation issue a determination for the abolition of the special accounts relating to the Foundations, Councils and Institutes (FCIs). Management of funding provided to DFAT under the International Relations Grants Program for allocation to the FCIs is now fully intergrated into the DFAT Administered accounts and removes the need for the special accounts. DFAT estimates that the balances for the FCI special accounts should be zero by 30 June 2009.

Table 3.1.2: Estimates of Special Account cash flows and balances (continued)

	•	Opening			•	Closing
		balance	Receipts	Payments	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments & Non-Agency Bodies Account - FMA Act 1997 s20 (A)	1	-	5,000	(5,000)	-	-
,		3,379	5,000	(8,379)	-	-
Other Trust Monies Account - FMA Act 1997 s20 (A)	1	-	2,500	(2,500)	-	-
		214	2,500	(2,714)	-	<u>-</u>
Administered Payments and Receipts for Other Entities Special Account - FMA Act 1997 s20 (A)	1	5,000	230,000	(230,000)	-	5,000
		5,000	230,000	(230,000)	-	5,000
Overseas Property Account - Finance Determination 2002-01 (D)	3	182,727	156,380	(82,531)	-	256,576
	4	214,613	169,372	(201, 258)	-	182,727
Total special accounts	_					
2009-10 Budget estimate	_	187,727	430,111	(356,062)	-	261,576
Total special accounts						
2008-09 estimate actual		224,224	453,229	(489,726)	-	187,727

<sup>(</sup>A) = Administered

<sup>(</sup>D) = Departmental

# 3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

		,	•	•	,	
Outcome		Approp		Other	Total	
	Bill	Bill	Special	Total		
	No. 1	No. 2	Approp	Approp		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Foreign Affairs and Trade				<del></del> •		
Outcome 1						
Departmental 2009-10	309	-	-	309	-	309
Departmental 2008-09	205	-	-	205	-	205
Total Outcome 2009-10	309	-	-	309	-	309
Total Outcome 2008-09	205	-	-	205	-	205
Outcome 3						
Departmental 2009-10	168	-	-	168	-	168
Departmental 2008-09	164	-	-	164	-	164
Total Outcome 2009-10	168	-	-	168	-	168
Total Outcome2008-09	164	-	-	164	-	164
Total Departmental 2009-10	477		_	477	_	477
Total Departmental 2008-09	369	-	-	369	-	369
Total AGIE 2009-10	477	-	-	477	-	477
Total AGIE 2008-09	369	-	-	369	-	369

#### 3.2 BUDGETED FINANCIAL STATEMENTS

#### 3.2.1 Analysis of budgeted financial statements

#### **Budgeted Net Cost of Services Statement**

Budgeted departmental appropriations for 2009-10 have increased by \$107.3 million (excluding capital funding) since the publication of the 2008-09 Portfolio Additional Estimates Statements. This comprises funding of \$72.9 million for new measures and \$41.2 million in other adjustments, primarily relating to foreign exchange and overseas and domestic inflation. Marginally offsetting these increases are the \$2.8 million in savings required as a result of the *Review of the Australian Government's Use of Information and Communication Technology* (Gershon Review) and a net decrease of \$4.0 million to the Department's Passport Funding Arrangement.

Overall, the Department is forecasting a surplus of \$79.3 million in 2009-10, all of which relates to the Overseas Property Special Account. The overall DFAT budget position, excluding the Overseas Property Special Account, is break-even.

#### **Budgeted Departmental Balance Sheet**

Budgeted equity injections for 2009-10 have increased by \$71.9 million since the publication of the 2008-09 Portfolio Additional Estimates Statements. This can be broken down into an increase of \$34.6 million for the funding of new capital works and a reduction of \$3.9 million due to the rephasing of previously announced budget measures. The Department will also receive an additional \$41.2 million for adjustments to previous years' outputs. This relates primarily to adjustments for foreign exchange losses incurred in 2008-09 and adjustments for new measures announced in 2008-09 but not appropriated until 2009-10.

For 2009-10, the Department's non financial asset position is budgeted to be \$2,280.2 million at year-end. The major asset component is \$2,010.5 million for Land and Buildings, of which \$1,868.3 million is held in the Overseas Property Special Account.

# Schedule of Budgeted Income and Expenses Administered on behalf of the Government

Budgeted administered income is projected to decrease by \$10.7 million in 2009-10 in line with the projected decrease in passport issues, and therefore passport revenue. Passport revenue is projected to return to 2008-09 levels in 2010-11.

Budgeted administered expenses for financial costs are projected to increase in 2009-10 primarily due to the measure *Overseas Development Assistance - Debt to Health Swap with Government of Indonesia*. This reflects the need to provision loans to the value of \$75 million associated with the measure.

# Schedule of Budgeted Assets and Liabilities Administered on behalf of the Government

The increase in budgeted administered assets in 2009-10 is primarily due to the appropriation receivable of \$75 million resulting from the administered equity injection under the measure *Overseas Development Assistance – Debt to Health Swap with Government of Indonesia*. This increase is offset by an increase in administered liabilities of \$75 million also related to the measure, and reflects the amount owed to the Export Finance and Insurance Corporation for the provisioning of loans owed by the Government of Indonesia to the Commonwealth.

#### **Schedule of Budgeted Administered Cash Flows**

Administered cash received generally moves in line with the administered revenue, and is returned to the Consolidated Revenue Fund. Some administered revenue items have no cash impact.

Administered cash used will increase by \$24.3 million in 2009-10, principally due to the impact of foreign exchange movements on the budgeted contributions to international organisations and peacekeeping operations.

The budgeted administered cash flow also recognises expected utilisation of the appropriation receivable and payment to the Export Finance and Insurance Corporation, commencing in 2011-12, of \$12.5 million per year under the measure Overseas Development Assistance - Debt to Health Swap with Government of Indonesia.

# 3.2.3 Budgeted financial statements tables

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

(for the period ended 30 June)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	388,885	434,210	442,810	438,112	423,239
Supplier	399,141	424,090	433,976	434,480	484,338
Grants	900	900	900	900	900
Depreciation and amortisation	80,285	86,269	101,626	106,336	108,409
Losses from asset sales	1,138	976	-	-	188
Finance costs	624	457	400	300	300
Other	2,095	3,361	3,334	3,329	1,857
Total expenses	873,068	950,263	983,046	983,457	1,019,231
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	97,387	99,496	90,261	89,918	91,690
Other revenue	1,100	1,521	1,911	1,780	2,033
Total revenue	98,487	101,017	92,172	91,698	93,723
Gains					
Sale of assets	5,013	-	-	-	-
Other gains	390	390	390	392	392
Total gains	5,403	390	390	392	392
Total own-source income	103,890	101,407	92,562	92,090	94,115
Net cost of (contribution by)					
services	769,178	848,856	890,484	891,367	925,116
Appropriation revenue	857,803	928,154	931,149	934,041	971,423
Surplus (Deficit)	88,625	79,298	40,665	42,674	46,307
Surplus (Deficit) attributable to					
the Australian Government	88,625	79,298	40,665	42,674	46,307
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	249,965	(48,753)	(18,067)	(12,450)	(5,859)
Total other comprehensive income	249,965	(48,753)	(18,067)	(12,450)	(5,859)
Total comprehensive income	338,590	30,545	22,598	30,224	40,448
Total comprehensive income					
attributable to the Australian					
Government	338,590	30,545	22,598	30,224	40,448
	,	,-	,	, -	-,

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

Table 3.2.2. Buugeteu departitie	fiilai Daiaiil	e Sileer (c	is at 30 Ju	111 <i>e)</i>	
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and equivalents	11,334	57,105	58,507	59,880	59,880
Trade and other Receivables	534,162	609,409	555,340	495,505	360,829
Other	10,967	10,967	10,967	10,967	10,967
Total financial assets	556,463	677,481	624,814	566,352	431,676
Non-financial assets			•		
Land and buildings	2,067,186	2,010,549	2,056,915	2,059,991	2,097,080
Infrastructure, plant and equipment	142,035	171,085	179,735	200,382	233,775
Inventories	15,539	15,539	15,539	15,539	15,539
Intangibles	7,790	5,829	7,432	5,735	4,039
Prepayments	21,862	21,862	21,862	21,862	21,862
			· ·	•	
Work in progress (excl. inventory)	70,962	55,356	102,747	202,220	347,083
Total non-financial assets	2,325,374	2,280,220	2,384,230	2,505,729	2,719,378
Assets held for sale	0.004.007	0.057.704	0.000.044	0.070.004	0.454.054
Total assets	2,881,837	2,957,701	3,009,044	3,072,081	3,151,054
LIABILITIES					
Interest bearing liabilities					
Leases	648	-	-	-	-
Total interest bearing liabilities	648	-	-	-	-
Provisions					
Employees	115,642	115,783	115,802	115,802	115,802
Other	18,406	18,406	18,406	18,406	18,406
Total provisions	134,048	134,189	134,208	134,208	134,208
-	,	,	,	,	,
Payables Suppliers	71,347	61,541	61,531	61,531	61,531
Other					
	17,593	18,135	18,135	18,135	18,135
Total payables	88,940	79,676	79,666	79,666	79,666
Total liabilities	223,636	213,865	213,874	213,874	213,874
Net assets	2,658,201	2,743,836	2,795,170	2,858,207	2,937,180
EQUITY*					
Parent entity interest					
Contributed equity	1,539,664	1,597,739	1,626,475	1,659,288	1,697,813
Reserves	684,895	636,142	618,075	605,625	599,766
Retained surpluses or					
accumulated deficits	433,642	509,955	550,620	593,294	639,601
Total parent entity interest	2,658,201	2,743,836	2,795,170	2,858,207	2,937,180
Total equity	2,658,201	2,743,836	2,795,170	2,858,207	2,937,180
Current assets	572,002	693,020	640,353	581,891	447,215
Non-current assets	2,309,835	2,264,681	2,368,691	2,490,190	2,703,839
Current liabilities	206,043	195,730	195,739	195,739	195,739
Non-current liabilities	17,593	18,135	18,135	18,135	18,135

<sup>\*</sup>Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

(for the period ended 30 June	·)				
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	96,679	98,955	90,261	89,918	91,690
Appropriations	823,686	928,181	912,539	921,968	969,287
Other	20,478	21,293	21,293	21,143	21,396
Total cash received	940,843	1,048,429	1,024,093	1,033,029	1,082,373
Cash used					
Employees	390,877	434,912	443,718	438,854	423,279
Suppliers	397,071	407,451	432,669	433,346	483,907
Grants	900	900	900	900	900
Borrowing costs	20	20	400	300	300
Other	21,477	22,744	22,696	22,692	21,408
Total cash used	810,345	866,027	900,383	896,092	929,794
Net cash from or (used by)		,	,		
operating activities	130,498	182,402	123,710	136,937	152,579
INVESTING ACTIVITIES		,		,	
Cash received					
Proceeds from sales of property,					
plant and equipment	20,917	7,706			
Total cash received	20,917	7,706			
	20,917	7,700		<u>-</u>	
Cash used					
Purchase of property, plant	440.0=0	0= 040			
and equipment	112,853	95,848	146,517	101,505	149,226
Other	23,498	29,731	77,186	138,780	178,691
Total cash used	136,351	125,579	223,703	240,285	327,917
Net cash from or (used by)	(4.4= 40.4)	(44= 0=0)	(000 =00)	(0.40.00=)	(00= 0.4=)
investing activities	(115,434)	(117,873)	(223,703)	(240,285)	(327,917)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	44,262	58,075	28,736	32,813	38,525
Other	29,835	(73,848)	72,659	71,908	136,813
Total cash received	74,097	(15,773)	101,395	104,721	175,338
Cash used					
Dividends paid	92,605	_	_	_	_
Other	17,895	2,985	_	_	_
Total cash used	110,500	2,985	_	-	_
Net cash from or (used by)		•			
financing activities	(36,403)	(18,758)	101,395	104,721	175,338
Net increase or (decrease)		( , ,		· · · · · · · · · · · · · · · · · · ·	
in cash held	30,712	63,385	126,770	253,540	507,080
Cash at the beginning of			<u> </u>	·	<u> </u>
the reporting period	30,712	63,385	126,770	253,540	507,080
Manual Allocations	1,961	-	-	´ -	-
Cash at the end of the					
reporting period	63,385	126,770	253,540	507,080	1,014,160
		, ,	· · · · · · · · · · · · · · · · · · ·	•	

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

movement (Baaget year 2000 10)					
	Retained	Asset	Other	Contributed	Total
	earnings	revaluation	reserves	equity/	equity
		reserve		capital	
_	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2009  Balance carried forward from					
previous period	433,642	684,895	-	1,539,664	2,658,201
Adjusted opening balance	433,642	684,895	-	1,539,664	2,658,201
Income and expense Income and expenses recognised directly in equity: Gain/loss on revaluation of					
property	-	(48,753)	-	-	(48,753)
Sub-total income and expense	-	(48,753)	-	-	(48,753)
Surplus (deficit) for the period	79,298	-	-	-	79,298
Total income and expenses recognised directly in equity	79,298	(48,753)	-	-	30,545
Transactions with owners Contribution by owners					
Appropriation (equity injection)  Amount (to)/from OPA - Agency	-	-	-	58,075	58,075
Cash transfers to the OPA	(2,985)	-	-	-	(2,985)
Sub-total transactions with owners	(2,985)	-	-	58,075	55,090
Estimated closing balance as at 30 June 2010	509,955	636,142	-	1,597,739	2,743,836

Table 3.2.5: Departmental capital budget statement

Estimated	Budget	Forward	Forward	Forward
actual	estimate	estimate	estimate	estimate
2008-09	2009-10	2010-11	2011-12	2012-13
\$'000	\$'000	\$'000	\$'000	\$'000
36,441	58,074	28,736	32,813	38,525
10,588	41,184	-	-	-
47,029	99,258	28,736	32,813	38,525
36,441	58,074	28,736	32,813	38,525
10,588	41,184	-	-	-
47,029	99,258	28,736	32,813	38,525
36,441	58,074	28,736	32,813	38,525
	•	•	•	•
103,196	60,359	147,576	107,999	141,301
139,637	118,433	176,312	140,812	179,826
	actual 2008-09 \$'000 36,441 10,588 47,029 36,441 10,588 47,029	actual estimate 2008-09 2009-10 \$'000 \$'000  36,441 58,074  10,588 41,184  47,029 99,258  36,441 58,074 10,588 41,184 47,029 99,258  36,441 58,074 10,588 41,184 47,029 99,258	actual estimate estimate 2008-09 2009-10 2010-11 \$'000	actual 2008-09 actual 2008-09 2009-10 \$1000         estimate 2010-11 2011-12 \$1000         estimate 2011-11 2011-12 \$1000           \$1000 \$1000         \$1000         \$1000         \$1000           36,441         58,074         28,736         32,813           10,588 41,184 47,029         99,258 28,736         32,813           36,441 58,074 28,736 32,813         32,813           47,029 99,258 28,736 32,813           36,441 58,074 28,736 32,813           36,441 58,074 28,736 32,813           36,441 58,074 28,736 32,813           36,441 58,074 28,736 32,813

<sup>&</sup>lt;sup>1</sup> Includes the following sources of funding:

- finance leases
- internally developed assets
- s31 relevant agency receipts
- proceeds from the sale of assets

<sup>-</sup> annual and prior year appropriations

<sup>-</sup> donations and contributions

<sup>-</sup> gifts

Table 3.2.6: Statement of Asset Movements - Departmental

			Other		
			Infrastructure,		
	Land	Buildings	P&E*	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009					
Gross book value	1,113,460	987,647	198,862	37,569	2,337,538
Accumulated					
depreciation/amortisation		(33,921)	(56,827)	(29,779)	(120,527)
Opening net book balance	1,113,460	953,726	142,035	7,790	2,217,011
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets by purchase or internally					
developed	-	43,410	69,810	5,212	118,432
Sub-total	-	43,410	69,810	5,212	118,432
Other Movements					
Disposals <sup>#</sup>	(1,409)	(2,906)	(4,497)	_	(8,812)
Revaluations	(28,371)	(43,493)	(4,500)	_	(76,364)
Depreciation/amortisation	(==,=: :)	(12,122)	(1,222)		(1 5,55 1)
expense	-	(47,333)	(31,763)	(7,173)	(86,269)
Reversal of depreciation -					
revaluations and disposals	-	23,465	-	-	23,465
As at 30 June 2010					
Gross book value	1,083,680	984,658	259,675	42,781	2,370,794
Accumulated					
depreciation/amortisation		(57,789)	(88,590)	(36,952)	(183,331)
Closing net book balance	1,083,680	926,869	171,085	5,829	2,187,463

<sup>\*</sup> P & E - Plant and Equipment

 $<sup>^{\</sup>mbox{\scriptsize \#}}$  Proceeds may be returned to the Official Public Account

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

Actual   estimate   estimate   estimate   2010-11   2011-12   2012-13   2008-09   2009-10   2010-11   2011-12   2012-13   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-11   2011-12   2012-13   2010-13   20	of Government (for the period e	naea so si	ine)			
Non-taxation   Signature   S		Estimated	Budget	Forward	Forward	Forward
\$\seconstraints   \$\seconstr		actual	estimate	estimate	estimate	estimate
NCOME ADMINISTERED ON BEHALF OF GOVERNMENT   Revenue   Non-taxation   Goods and services   309,061   300,260   311,870   325,450   339,01   Interest   7,718   6,711   6,101   5,411   4,54   10/vidends   9,850   14,050   11,250   12,650   10,00   Other sources of non-taxation   revenues   10,775   5,640   14,970   4,390   3,86   Total non-taxation   337,404   326,661   344,191   347,901   357,41   Total revenues administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41   Gains   Foreign exchange     -     Total gains administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41   EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT   Grants   297,643   335,694   335,494   335,494   2,446   Expenses Administered   2,317   2,420   2,440   2,440   2,446   Expenses   2,317   2,420   2,440   2,440   2,446   Expenses   2,317   2,420   2,440   2,440   2,446   Expenses   30,000   3,500   4,200   3,900   3,900   3,500   4,200   3,900   3,900   3,500   4,200   3,900   3		2008-09	2009-10	2010-11	2011-12	2012-13
BEHALF OF GOVERNMENT   Revenue   Non-taxation   Goods and services   309,061   300,260   311,870   325,450   339,01   Interest   7,718   6,711   6,101   5,411   4,54   Dividends   9,850   14,050   11,250   12,650   10,00   Other sources of non-taxation revenues   10,775   5,640   14,970   4,390   3,86   Total non-taxation   337,404   326,661   344,191   347,901   357,41   Total revenues administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41   Gains   Foreign exchange     -   Total gains administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41   EXPENSES ADMINISTERED ON   BEHALF OF GOVERNMENT   Grants   297,643   335,694   335,494   335,494   2,446   Employees   707   1,081   647   -     Suppliers   68,873   57,751   37,214   23,758   22,18   Write Down/Impairment of Assets   7,000   3,600   3,500   4,200   3,900   Total expenses administered   300,260   311,870   325,450   339,01		\$'000	\$'000	\$'000	\$'000	\$'000
Non-taxation   Goods and services   309,061   300,260   311,870   325,450   339,010   1nterest   7,718   6,711   6,101   5,411   4,540   5,411   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   6,101   5,411   4,540   5,411   5,4	INCOME ADMINISTERED ON					
Non-taxation   Goods and services   309,061   300,260   311,870   325,450   339,01     Interest   7,718   6,711   6,101   5,411   4,54     Dividends   9,850   14,050   11,250   12,650   10,00     Other sources of non-taxation revenues   10,775   5,640   14,970   4,390   3,86     Total non-taxation   337,404   326,661   344,191   347,901   357,41     Total revenues administered on behalf of Government   337,404   326,661   344,191   347,901   357,41     Gains   Foreign exchange       Total gains administered on behalf of Government   337,404   326,661   344,191   347,901   357,41     EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT   Grants   297,643   335,694   335,494   335,494   335,494     Personal benefits   2,317   2,420   2,440   2,440   2,440     Employees   707   1,081   647       Suppliers   68,873   57,751   37,214   23,758   22,18     Write Down/Impairment of Assets   7,000   3,600   3,500   4,200   3,900     Total expenses administered   500   500   500   500     Total expenses administered   500   500   500   500	BEHALF OF GOVERNMENT					
Goods and services   309,061   300,260   311,870   325,450   339,01     Interest   7,718   6,711   6,101   5,411   4,54     Dividends   9,850   14,050   11,250   12,650   10,00     Other sources of non-taxation   revenues   10,775   5,640   14,970   4,390   3,86     Total non-taxation   337,404   326,661   344,191   347,901   357,41     Total revenues administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41     Total gains administered   on behalf of Government       Total income administered   on behalf of Government   337,404   326,661   344,191   347,901   357,41    EXPENSES ADMINISTERED ON   BEHALF OF GOVERNMENT   Grants   297,643   335,694   335,494   335,494   335,494     Personal benefits   2,317   2,420   2,440   2,440   2,440     Employees   707   1,081   647   -     Suppliers   68,873   57,751   37,214   23,758   22,18     Write Down/Impairment of Assets   - 75,000   -   -     Finance costs   7,000   3,600   3,500   4,200   3,900     Total expenses administered	Revenue					
Interest	Non-taxation					
Dividends   9,850   14,050   11,250   12,650   10,000	Goods and services	309,061	300,260	311,870	325,450	339,010
Other sources of non-taxation revenues         10,775         5,640         14,970         4,390         3,860           Total non-taxation         337,404         326,661         344,191         347,901         357,41           Total revenues administered on behalf of Government         337,404         326,661         344,191         347,901         357,41           Gains         Foreign exchange         - </td <td>Interest</td> <td>7,718</td> <td>6,711</td> <td>6,101</td> <td>5,411</td> <td>4,541</td>	Interest	7,718	6,711	6,101	5,411	4,541
revenues         10,775         5,640         14,970         4,390         3,860           Total non-taxation         337,404         326,661         344,191         347,901         357,41           Total revenues administered on behalf of Government         337,404         326,661         344,191         347,901         357,41           Gains         Foreign exchange         -	Dividends	9,850	14,050	11,250	12,650	10,000
Total non-taxation   337,404   326,661   344,191   347,901   357,41	Other sources of non-taxation					
Total revenues administered on behalf of Government         337,404         326,661         344,191         347,901         357,41           Gains Foreign exchange Total gains administered on behalf of Government	revenues	10,775	,	14,970	4,390	3,860
on behalf of Government         337,404         326,661         344,191         347,901         357,41           Gains         Foreign exchange           Foreign exchange         -	Total non-taxation	337,404	326,661	344,191	347,901	357,411
Foreign exchange						
Total gains administered on behalf of Government	on behalf of Government	337,404	326,661	344,191	347,901	357,411
Total gains administered on behalf of Government         -	Gains					
on behalf of Government         -	Foreign exchange	-	-	-	-	-
Total income administered on behalf of Government         337,404         326,661         344,191         347,901         357,41           EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT           Grants         297,643         335,694         335,494         335,494         335,494         335,494         335,494         2,440 <td< td=""><td>Total gains administered</td><td></td><td></td><td></td><td></td><td></td></td<>	Total gains administered					
on behalf of Government         337,404         326,661         344,191         347,901         357,41           EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT           Grants         297,643         335,694         335,494         335,494         335,494         335,494         2,440 </td <td>on behalf of Government</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>	on behalf of Government	-	-	-	-	-
EXPENSES ADMINISTERED ON           BEHALF OF GOVERNMENT           Grants         297,643         335,694         335,494         335,494         335,494         335,49           Personal benefits         2,317         2,420         2,440         2,440         2,44           Employees         707         1,081         647         -         -         Suppliers         68,873         57,751         37,214         23,758         22,18           Write Down/Impairment of Assets         -         75,000         -         -         -         -           Finance costs         7,000         3,600         3,500         4,200         3,90           Total expenses administered         -	Total income administered					
BEHALF OF GOVERNMENT           Grants         297,643         335,694         335,494         335,494         335,494         335,494         335,494         335,494         335,494         2,440         3,500         3,701         3,701         3,701         3,701         3,701         3,900         3,900         3,900         3,900         3,900         3,900         3,900         3,900         3,9	on behalf of Government	337,404	326,661	344,191	347,901	357,411
Grants         297,643         335,694         335,494         335,494         335,494         335,494         335,494         335,494         335,494         23,440         2,	EXPENSES ADMINISTERED ON					
Personal benefits         2,317         2,420         2,440         2,440         2,44           Employees         707         1,081         647         -           Suppliers         68,873         57,751         37,214         23,758         22,18           Write Down/Impairment of Assets         -         75,000         -         -         -           Finance costs         7,000         3,600         3,500         4,200         3,90           Total expenses administered         -         -         -         -         -	BEHALF OF GOVERNMENT					
Employees         707         1,081         647         -           Suppliers         68,873         57,751         37,214         23,758         22,18           Write Down/Impairment of Assets         -         75,000         -         -         -           Finance costs         7,000         3,600         3,500         4,200         3,90           Total expenses administered         -         -         -         -         -	Grants	297,643	335,694	335,494	335,494	335,494
Suppliers         68,873         57,751         37,214         23,758         22,18           Write Down/Impairment of Assets         -         75,000         -         -         -           Finance costs         7,000         3,600         3,500         4,200         3,90           Total expenses administered         -         -         -         -         -	Personal benefits	2,317	2,420	2,440	2,440	2,440
Write Down/Impairment of Assets         -         75,000         -         -           Finance costs         7,000         3,600         3,500         4,200         3,90           Total expenses administered	Employees	707	1,081	647	-	-
Finance costs 7,000 3,600 3,500 4,200 3,90 <b>Total expenses administered</b>	Suppliers	68,873	57,751	37,214	23,758	22,182
Total expenses administered	Write Down/Impairment of Assets	-	75,000	-	-	-
•	Finance costs	7,000	3,600	3,500	4,200	3,900
on behalf of Government         376,540         475,546         379,295         365,892         364,01	Total expenses administered					
	on behalf of Government	376,540	475,546	379,295	365,892	364,016

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

o. oo to					
•	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	5,171	5,171	5,171	5,171	5,171
Receivables	12,767	13,757	14,337	14,867	16,687
Appropriation Receivable	-	75,000	75,000	62,500	50,000
Investments	331,200	331,200	331,200	331,200	331,200
Other financial assets	1,645	1,645	1,645	1,645	1,645
Total financial assets	350,783	426,773	427,353	415,383	404,703
Non-financial assets					
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	356,542	432,532	433,112	421,142	410,462
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Other	31,250	26,660	26,680	21,390	16,970
Total interest bearing liabilities	31,250	26,660	26,680	21,390	16,970
Provisions					
Other provisions	30,011	30,011	30,011	30,011	30,011
Total provisions	30,011	30,011	30,011	30,011	30,011
Payables					
Suppliers	948	948	948	948	948
Other payables	27,607	100,439	98,539	84,439	71,939
Total payables	28,555	101,387	99,487	85,387	72,887
Total liabilities administered					
on behalf of Government	89,816	158,058	156,178	136,788	119,868
	,	,	, -	,	-,

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

(for the period ended 30 June)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering					
of services	309,061	300,260	311,870	325,450	339,010
Interest	118	121	121	121	121
Dividends	9,850	14,050	11,250	12,650	10,000
Net GST received	6,377	5,397	3,398	2,074	1,934
Other	9,675	3,300	13,040	2,810	2,590
Total cash received	335,081	323,128	339,679	343,105	353,655
Cash used					
Employees	707	1,081	647	_	_
Grant payments	297,943	336,244	336,044	336,044	336,044
Borrowing costs	6,300	3,600	3,500	4,200	3,900
Personal benefits	2,317	2,420	2,440	2,440	2,440
Suppliers	65,773	55,551	35,414	21,958	20,582
Net GST paid	6,377	5,397	3,398	2,074	1,934
Other	3,000	2,400	1,800	1,800	1,600
Total cash used	382,417	406,693	383,243	368,516	366,500
Net cash from or (used by)	302,417	400,093	303,243	300,310	300,300
operating activities	(47,336)	(83,565)	(43,564)	(25,411)	(12,845)
operating activities	(47,330)	(65,565)	(43,304)	(23,411)	(12,043)
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account	376,040	401,296	369,845	366,442	364,566
Equity Contribution	-	_	-	12,500	12,500
Total cash received	376,040	401,296	369,845	378,942	377,066
Cash used					
Cash to Official Public Account	328,704	317,731	326,281	341,031	351,721
Other Financing	-	_	-	12,500	12,500
Total cash used	328,704	317,731	326,281	353,531	364,221
Net cash from or (used by)		·	•	· · · · · · · · · · · · · · · · · · ·	
financing activities	47,336	83,565	43,564	25,411	12,845
Net increase or (decrease) in					
cash held	_	_	_	_	_
Cash at beginning of reporting period	5,171	5,171	5,171	5,171	5,171
Cash at end of reporting period	5,171	5,171	5,171	5,171	5,171
oush at one of reporting period	5, 17 1	5,171	J, 17 1	5,171	5, 17 1

Table 3.2.10: Schedule of administered capital budget

			, · · · <u> </u>		
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Administered assets and Liabilities		75,000	-	-	-
Total capital appropriations					
Represented by:					
Other	-	75,000	-	-	-
Total represented by	-	75,000	-	-	-
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	75,000	-	-	-
TOTAL	-	75,000	-	-	-

#### 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 budgeted for, and reported on, separately to transactions which 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 agency programs;
- 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. This investment is revalued once each financial year based on the net asset position of EFIC as at 30 June.

#### **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)

Agency resources and planned performance

# **AUSTRALIAN TRADE COMMISSION**

# (AUSTRADE)

Section	1: Agency overview and resources	73
1.1	Strategic direction	73
1.2	Agency resource statement	75
1.3	Budget measures	76
1.4	Transition from outcomes and outputs to outcomes and programs	77
Section	2: Outcomes and planned performance	78
2.1	Outcomes and performance information	78
Section	3: Explanatory tables and budgeted financial statements	87
3.1	Explanatory tables	87
3.2	Budgeted financial statements	89

# **AUSTRALIAN TRADE COMMISSION (AUSTRADE)**

## Section 1: Agency overview and resources

#### 1.1 STRATEGIC DIRECTION

The Australian Trade Commission (Austrade) is the Australian Government's trade and investment development agency and operates as a statutory agency within the Foreign Affairs and Trade portfolio.

#### Austrade's outcomes are:

- Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments; and
- The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas.

To achieve these outcomes, and to support Australian businesses and industry to take advantage of current trade opportunities and investment flows, in 2009-10 Austrade will continue to work with individual enterprises, industry, business groups and Commonwealth, state and territory government agencies to:

- enhance Australia's national prosperity through assisting Australian enterprises to capture international business opportunities to sustain growth, employment and investment and facilitating productive foreign direct investment into Australia
- increase the capability and capacity of Australian industry to compete in international markets and attract foreign investment
- identify and seek resolution to barriers to international trade and investment.

Austrade operates through a global network of offices, with representatives overseas in over 115 locations in more than 62 countries. In addition, across Australia, Austrade operates 18 offices and a network of 51 TradeStart offices including eight Export Hubs in partnership with public and private sector ally organisations.

This network will continue to enable Austrade to achieve its priorities in 2009-10 by:

- promoting Australia's attractiveness as a destination for foreign direct investment and as a source of innovation, competitive products and services, with a skilled workforce
- utilising Austrade's unique global, commercial perspective to provide advice to the Commonwealth Government about export and investment development activities

to lift Australia's export performance, sustain employment and assist in building an internationally competitive business environment in Australia

- providing advice on overseas markets and international opportunities to reduce the time, cost and risk for Australian businesses to establish successfully and grow their export and international business outcomes
  - reflecting the current global economic environment, Austrade will particularly focus in 2009-10 on helping Australian businesses to identify and mitigate international business risks and to position for recovery and contribute to sustained economic growth and employment
- working with industry to build and increase Australia's share of global markets in selected sectors – with particular focus on clean energy and the environment, agribusiness, infrastructure, mining technology, automotive and advanced manufacturing, and financial and business services – to capitalise on global supply chains
  - in 2009-10, the Government will provide additional funding through the Australian Trade Commission Clean Energy Trade and Investment Strategy measure to support the sector's efforts to capitalise on trade and investment opportunities arising from global efforts to tackle climate change. The Clean Energy Trade and Investment Strategy will help expand industry capability by attracting new investment into Australia to fill technology gaps and to fund the commercialisation of Australian technologies
  - the Automotive Market Access Program, notified in the 2008-09 Portfolio Additional Estimates Statements, will commence in 2009-10 and will focus resources on assisting the automotive sector to access key markets in the United States, China, Republic of Korea and Thailand
- deepening Australia's engagement in priority markets including China and India and free trade agreement markets such as the Association of Southeast Asian Nations, as well as developing links in emerging markets
- working with state and territory governments to secure productive foreign direct investment in Australia that complements or capitalises on domestic capabilities
- administering the Export Market Development Grants scheme in accordance with the *Export Market Development Grants Act* 1997
- working in partnership with the private sector, government and business associations in delivery of trade and investment services to assist Australian enterprises to achieve success in export and international business
- delivering consular, passport and other government services in designated overseas locations.

### 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: Austrade resource statement — Budget estimates for 2009-10 as at Budget May 2009

	Estimate	Proposed	Total	Actual
	of prior +	at Budget =	Estimate	Available
	year amounts			Appropriation
	available in			
	2009-10	2009-10	2009-10	2008-09
	\$'000	\$'000	\$'000	\$'000
Ordinary Annual Services				
Departmental				
Prior year Departmental appropriation	20,837 4	-	20,837	-
Departmental appropriation <sup>1</sup>		200,521	200,521	190,591
s31 Relevant agency receipts <sup>3</sup>		26,000	26,000	27,000
Total	20,837	226,521	247,358	217,591
Administered expenses				
Outcome 1	-	200,400	200,400	150,400
Total	-	200,400	200,400	150,400
Total ordinary annual services	20,837	426,921	447,758	367,991
Other services				
Departmental non-operating				
Equity injections <sup>2</sup>	1,638	700	2,338	113
Previous years' outputs	-	12,523	12,523	-
Total other services	1,638	13,223	14,861	113
Total Available Annual				
Appropriations	22,475	440,144	462,619	368,104
Total Appropriations excluding				
Special Accounts	22,475	440,144	462,619	368,104
Total resourcing	22,475	440,144	462,619	368,104
Total net resourcing for				
Austrade	22,475	440,144	462,619	368,104

#### Notes:

- 1. Appropriation Bill (No.1) 2009-10
- 2. Appropriation Bill (No.2) 2009-10
- 3. s31 relevant Agency receipts estimate. This includes \$0.25 million in s31 receipts for the proceeds from sales of property, plant and equipment.
- 4. Estimated adjusted balance carried from previous year for Annual Appropriations. Funds are required for Austrade to meet obligations to maintain the Agency's asset base and to meet employee entitlement liabilities.
- 5. Excludes the measure *Australian Trade Commission Export Market Development Grants scheme additional funding*, for which \$50 million for 2008-09 has not yet been appropriated. Reader note: All figures are GST exclusive.

### 1.3 BUDGET MEASURES

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

Table 1.2: Agency 2009-10 Budget measures

	Program	2008-09	2009-10	2010-11	2011-12	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures						
Australian Trade Commission - Clean						
Energy Trade and Investment						
Strategy	1.1	-	4,215	4,980	5,024	-
Australian Trade Commission - Export						
Market Development Grants scheme -						
additional funding	1.2	50,000	-	-	-	-
Australian Trade Commission -						
reduction in promotional activities	1.1	-	(270)	(270)	(270)	(270)
Total		50,000	3,945	4,710	4,754	(270)
Total expense measures						
Administered		50,000	-	-	-	-
Departmental		-	3,945	4,710	4,754	(270)
Total		50,000	3,945	4,710	4,754	(270)
Capital measures						
Australian Trade Commission - Clean						
Energy Trade and Investment						
Strategy	1.1	-	700	-	-	-
Total		-	700	-	-	-
Total capital measures		-	700	-	-	-
Departmental		-	700	-	-	-
Total		-	700	-	-	-

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, outcomes 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.

#### Figure 2: Transition table

#### 2008-09 Budget year

Outcome 1: Australians succeeding in international business with widespread community support

Output Group 1.1: Export and international business services	
Departmental Outputs:	
Program Management	P 1.1

Output Group 1.2: Trade development s (EMDG)	chemes
Administered Items:	
Export Market Development Grants	P 1.2

Output Group 1.3: Foreign direct investment services	
Departmental Outputs:	
Program Management	P 1.1

Output Group 1.4: Government advice	
and coordination	
Departmental Outputs:	
Program Management	P 1.1

Output Group 1.5: Awareness raising	
Departmental Outputs:	
Program Management	P 1.1

Outcome 2: Australians informed about and provided access to consular, passport and immigration services in specific locations overseas

Output Group 2.1: Consular, passport and immigration services	
Departmental Outputs:	
Program Management	P 2.1

#### 2009-10 Budget year

Outcome 1: Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments

Program 1.1: Trade and investment development			
Program Support	OG 1.1,1.3,1.4,1.5		

Program 1.2: Trade development	
schemes (EMDG)	
Administered Items:	
Export Market Development Grants	OG 1.2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas

Program 2.1: Consular and passport services			
Program Support	OG 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 on the Australian community. 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 Austrade in achieving government outcomes.

Outcome 1: Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments

#### **Outcome 1 Strategy**

Austrade will work with enterprises, industry groups and government agencies to:

- (i) enhance Australia's national prosperity by:
  - (a) assisting Australian enterprises to capture international business opportunities to sustain growth, employment and investment; and
  - (b) facilitating productive foreign direct investment into Australia;
- (ii) increase the capability/capacity of Australian industry to compete in international markets and attract foreign investment; and
- (iii) contribute to the identification and resolution of barriers to trade and investment in Australia and offshore.

Austrade will achieve these objectives through a range of trade and investment development initiatives at a national, sectoral and enterprise level, providing advice, market intelligence and ongoing assistance to Australian businesses and industry, and through the administration of the Export Market Development Grants Scheme.

### **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: Advance Australia's trade and investment interests	2008-09	2009-10
through information, advice and services to businesses, industry	Estimated	Estimated
and governments	Actual	Expenses
	Expenses	
	\$'000	\$'000
Program 1.1: Trade and investment development		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	184,223	190,809
Revenues from Independent Sources (Section 31)	24,650	23,650
Total for Program 1.1	208,873	214,459
Program 1.2: Trade development schemes (EMDG)		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	200,400	200,400
Total for Program 1.2	200,400	200,400
Outcome 1 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	200,400	200,400
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	180,923	190,809
Revenues from Independent Sources (Section 31)	24,650	23,650
Expenses not requiring Appropriation in the Budget year	3,300	-
Total Expenses for Outcome 1	409,273	414,859
	2008-09	2009-10
Average Staffing Level (number)	952	952

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

#### **Contributions to Outcome 1**

#### **Program 1.1: Trade and investment development**

#### **Program 1.1 Objective**

Through initiatives at a national, sectoral and enterprise level, Austrade will provide advice, market intelligence and ongoing assistance to Australian businesses and industry looking to develop and expand their international business, and promote and facilitate productive foreign direct investment into Australia.

#### **Program 1.1 Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Departmental Expenses:					
Departmental Item	208,873	214,459	215,708	217,642	213,179
Total Departmental Expenses	208,873	214,459	215,708	217,642	213,179

#### **Program 1.1 Deliverables**

- Contribute a trade and investment development perspective to the whole-of-government policy agenda.
- Contribute to the promotion of Australia as a destination for investment and as a source of business capability and competitiveness in overseas markets.
- Attract productive foreign direct investment to Australia.
- Support the internationalisation of industries through strategic development initiatives, including delivery of Global Opportunities in priority sectors, to position them to take advantage of opportunities in key international markets and attract complementary high value-added foreign direct investment.
- Deliver market development initiatives in priority and emerging markets to increase Australian capability and to identify and coordinate responses to opportunities in those markets. A particular focus will be placed on priority sectors.
- Deliver Austrade services to individual enterprises including advice and market intelligence to businesses through Austrade's onshore and offshore networks and its website.
- Deliver *Getting into Export* services to assist companies that are new to export to develop the skills required to become successful and sustainable exporters.

- Deliver initiatives to assist businesses with developing global business strategies, identifying international partners and facilitating investment in overseas markets.
- Build effective international linkages and networks with buyers, investors and decision-makers in overseas markets.
- Assess applications for the income tax exemption available under Section 23AF
  of the *Income Tax Assessment Act 1936*, to assist the international competitiveness
  of Australian companies and government organisations competing to win
  international tenders.
- Deliver Austrade's services through relationships and partners including through TradeStart and Corporate Partnerships.
- Deliver the Australian Export Awards, Business Club Australia and other activities to raise business and community understanding of trade and investment and to recognise Australia's international business achievements.

#### **Program 1.1 Key Performance Indicators**

Austrade uses a combination of qualitative and quantitative performance measures that measure activity at the national, sectoral and enterprise levels:

- Austrade's contribution to whole-of-government policy development is recognised.
- Strong international awareness of Australia's business capabilities, and of Australia as a destination for investment and as a source of competitive, high quality goods and services.
- Successful establishment of industry clusters and integration into global supply chains in priority sectors.
- Attraction of high value-add inward investment in targeted industry sectors through delivery of high quality foreign direct investment prospects, leads and project commitments.
- Successful delivery of market development strategies to realise opportunities for Australian businesses in priority and emerging markets.
- Enhanced community and business understanding of the importance of trade and investment and participation in international business promotional activities and initiatives.
- Austrade services are valued by its clients and stakeholders including business and industry associations and state and territory governments.

	2008-09	2009-10
Key Performance	Revised	Budget
Indicators	budget	Target
Australian businesses accessing Austrade services	14,000	14,000
Value of trade outcomes achieved by businesses acknowledging		
Austrade's assistance	\$18 billion	\$18 billion
Value of Foreign Direct Investment project successes	\$4 billion	\$2.5 billion

# Program 1.2: Trade development schemes - Export Market Development Grants (EMDG)

#### **Program 1.2 Objective**

Provide an incentive for businesses to enter into export and grow to become sustainable exporters.

#### **Program 1.2 Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Administered Expenses:					
Administered Item	200,400	200,400	150,400	150,400	150,400
Total Program Expenses	200,400	200,400	150,400	150,400	150,400

### **Program 1.2 Deliverables**

Administration of the Export Market Development Grants scheme, providing partial reimbursement for expenditure on eligible export promotion activities.

Program 1.2 Key Performance Indicators					
	2008-09	2009-10			
Key Performance	Revised	Budget			
Indicators	budget	Target			
Number of grant applications	4,472	5,400			
Number of grant recipients	4,150	5,150			

# Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas

#### **Outcome 2 Strategy**

Austrade is committed to supporting Australians overseas through the delivery of highly effective, accurate and timely consular and passport services, travel advice, practical contingency planning and rapid crisis response in locations overseas where Austrade has consular management responsibilities.

#### **Outcome 2 Budgeted Expenses and Resources**

Table 2.2 provides an overview of the total expenses for Outcome 2 by program.

Table 2.2: Budgeted Expenses and Resources for Outcome 2

Outcome 2: The protection and welfare of Australians abroad	2008-09	2009-10
through timely and responsive consular and passport services in	Estimated	Estimated
specific locations overseas	Actual	Expenses
	Expenses	
	\$'000	\$'000
Program 2.1: Consular and passport services		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	9,668	9,712
Revenues from Independent Sources (Section 31)	2,350	2,350
Total for Program 2.1	12,018	12,062
Outcome 2 Totals by Appropriation type		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	9,668	9,712
Revenues from Independent Sources (Section 31)	2,350	2,350
Total Expenses for Outcome 2	12,018	12,062
	2008-09	2009-10
Average Staffing Level (number)	49	49

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

#### **Contributions to Outcome 2**

#### **Program 2.1: Consular and passport services**

### **Program 2.1 Objective**

 Support Australians overseas through a highly effective consular service, accurate and timely travel advice, practical contingency planning and rapid crisis response.

Linked to: DFAT Programs: 2.1 – Consular Services (Departmental); 2.2 – Passport Services (Departmental); 2.3 - Consular Services (Administered); and 2.4 – Passport Services (Administered)

#### **Program 2.1 Expenses**

	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Departmental Expenses:					
Departmental Item	12,018	12,062	12,106	12,194	12,273
Total Departmental Expenses	12,018	12,062	12,106	12,194	12,273

#### **Program 2.1 Deliverables**

- High quality consular services to an increasing number of Australian travellers and Australian citizens living overseas, including notarial services and assistance with welfare issues, whereabouts enquiries, arrest or detention matters, deaths and medical emergencies.
- Effective consular contingency planning for major events or high-risk scenarios, including through regular reviews of procedures and available resources, training of staff, and coordination with other government agencies and foreign governments.
- High quality passports services to an increasing number of Australian travellers and expatriates abroad, including processing new passport applications, registering lost or stolen passports, issuing emergency passports, and detecting passport fraud.

#### **Program 2.1 Key Performance Indicators**

- Austrade's delivery of consular services is effective, efficient, timely and responsive, and within the scope of Australian Government responsibility.
- Consular contingency planning accurately anticipates high risk events and scenarios, and plans are tested and reviewed regularly to satisfaction.
- Routine passports issued within ten working days and urgent passport issues dealt with in a timely and responsive manner.

	2008-09	2009-10
Key Performance	Revised	Budget
Indicators	budget	Target
Passport applications received	22,000	25,960
Number of notarial acts	11,200	13,216

# 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

Not applicable to Austrade.

#### 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 Austrade.

Table 3.1.2: Estimates of Special Account cash flows and balances

		Opening				Closing
		balance	Receipts	Payments	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Admin Payments and Receipts						
for Other Entities Special	2	100	9,000	(9,000)	-	100
Account <sup>1</sup> (A)		100	9,000	(9,000)	-	100
Other Trust Moneys Special	1	55	2,600	(2,600)	-	55
Account <sup>2</sup> (D)		55	760	(760)	-	55
Total special accounts						
2009-10 Budget estimate	_	155	11,600	(11,600)	-	155
Total special accounts	_					
2008-09 estimate actual		155	9,760	(9,760)	-	155

#### Footnotes

<sup>1.</sup> s20 Financial Management and Accountability Act, 1997 Determination 2006/15

<sup>2.</sup> s20 Financial Management and Accountability Act, 1997 Determination 2006/16

<sup>(</sup>A) = Administered

<sup>(</sup>D) = Departmental

### 3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

Outcome		Approp	riations		Other	Total	Program
-	Bill	Bill	Special	Total			
	No. 1	No. 2	Approp	Approp			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Austrade							
Outcome 1							
Departmental 2009-10	146			146		146	1.1
Departmental 2008-09	98			98		98	1.1
Total Outcome 2009-10	146			146		146	1.1
Total Outcome 2008-09	98			98		98	1.1
Total Departmental 2009-10	146			146		146	1.1
Total Departmental 2008-09	98			98		98	1.1
Total AGIE 2009-10	146			146		146	1.1
Total AGIE 2008-09	98			98		98	1.1

#### 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.

#### **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 comprehensive income statement**

This statement provides estimated actual financial results for 2008-09 and the estimated revenue and expenses for 2009-10 and forward years.

Total income in 2009-10 is estimated to be \$226.5 million, an increase of \$8.9 million from the 2008-09 estimated actual, comprised mainly of an increase in appropriation of \$9.9 million and a reduction in s31 receipts of \$1.0 million. The increase in appropriation is primarily due to foreign exchange variations (\$4.3 million) and new measures for Clean Energy (\$4.2 million) and the Automotive Market Access Program (\$1.3 million) and partially offset by a reduction of \$0.8 million from savings resulting from the independent *Review of the Australian Government's Use of ICT* – the Gershon Review.

Total estimated expenses for 2009-10 have increased by \$5.6 million to reflect an increase in revenue and the move to a net zero budget deficit from a loss of \$3.3 million in 2008-09.

#### **Budgeted departmental balance sheet**

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

Austrade's budgeted net asset position at the end of 2009-10 of \$51.2 million represents an increase of \$0.7 million from the 2008-09 estimated actual due to equity injections.

#### **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.

Austrade's cash balance at the end of 2009-10 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 the end of 2009-10 is estimated to be \$51.2 million, an increase of \$0.7 million from equity injections.

#### Departmental capital budget statement

This statement shows all planned departmental capital expenditure on non-financial assets, whether funded through capital appropriations, additional equity, borrowings, or funds from internal sources.

#### Departmental statement of asset movements

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year. The major movement to non-financial assets is from estimated additions of \$22.3 million in infrastructure, plant and equipment, and intangibles.

#### 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 the Government

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

Administered expenses of \$200.4 million for 2009-10 relate to the Export Market Development Grants (EMDG) scheme. This is comprised of \$190.4 million in Grant expenditure and \$10.0 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 the Government

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

Total administered assets and liabilities for 2009-10 are estimated at \$1.5 million and \$3.4 million respectively.

#### 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.

### 3.2.3 Budgeted financial statements tables

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

(for the period ended 30 June)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	114,657	112,942	113,002	113,100	111,058
Supplier	88,540	95,305	96,641	98,426	96,022
Depreciation and amortisation	17,294	17,874	17,771	17,910	17,972
Write-down and impairment of assets	200	200	200	200	200
Losses from asset sales	200	200	200	200	200
Total expenses	220,891	226,521	227,814	229,836	225,452
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	24,750	23,750	23,750	23,750	23,750
Other revenue	2,000	2,000	2,000	2,000	2,000
Total revenue	26,750	25,750	25,750	25,750	25,750
Gains					
Sale of assets	250	250	250	250	250
Total gains	250	250	250	250	250
Total own-source income	27,000	26,000	26,000	26,000	26,000
Net cost of (contribution by) services	193,891	200,521	201,814	203,836	199,452
Appropriation revenue	190,591	200,521	201,814	203,836	199,452
Surplus (Deficit)	(3,300)	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	(3,300)	-	-	-	-

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

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS		,	,	,	,
Financial assets					
Cash and equivalents	5,500	5,500	5,500	5,500	5,500
Trade and other Receivables	34,534	31,528	32,399	33,809	35,281
Total financial assets	40,034	37,028	37,899	39,309	40,781
Non-financial assets					
Land and buildings	15,637	15,528	15,446	15,384	15,338
Infrastructure, plant and equipment	21,012	24,243	23,879	23,626	23,457
Intangibles	14,819	15,778	16,453	16,858	17,101
Other	7,715	7,715	7,715	7,715	7,715
Total non-financial assets	59,183	63,264	63,493	63,583	63,611
Total assets	99,217	100,292	101,392	102,892	104,392
LIABILITIES					
Provisions					
Employees	26,555	28,056	29,556	31,056	32,556
Other	30	30	30	30	30
Total provisions	26,585	28,086	29,586	31,086	32,586
Payables					
Suppliers	12,301	11,483	11,483	11,483	11,483
Other	9,854	9,546	9,546	9,546	9,546
Total payables	22,155	21,029	21,029	21,029	21,029
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	48,740	49,115	50,615	52,115	53,615
Net assets	50,477	51,177	50,777	50,777	50,777
EQUITY*					
Parent entity interest	40.007	40.007	40.007	40.007	40.007
Contributed equity	13,267	13,967	13,967	13,967	13,967
Reserves	57,212	57,212	56,812	56,812	56,812
Retained surpluses or	(20,002)	(20,000)	(20,000)	(20,000)	(20,000)
accumulated deficits	(20,002)	(20,002)	(20,002)	(20,002)	(20,002)
Total parent entity interest	50,477	51,177	50,777	50,777	50,777
Current assets	45,820	42,814	43,685	45,095	46,567
Non-current assets	53,397	57,478	57,707	57,797	57,825
Current liabilities	43,622	44,204	45,554	46,904	48,254
Non-current liabilities	5,118	4,912	5,062	5,212	5,362

<sup>\*</sup>Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

Estimated actual 2008-09 \$'000 \$24,750 196,120 5,664 2,000	Budget estimate 2009-10 \$'000 23,750 203,527 5,629	Forward estimate 2010-11 \$'000 23,750 200,543	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
2008-09 \$'000 24,750 196,120 5,664 2,000	2009-10 \$'000 23,750 203,527	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
\$'000 24,750 196,120 5,664 2,000	\$'000 23,750 203,527	\$'000 23,750	\$'000	\$'000
196,120 5,664 2,000	203,527	,	23,750	•
196,120 5,664 2,000	203,527	,	23,750	
196,120 5,664 2,000	203,527	,	23,750	
5,664 2,000	*	200.543		23,750
2,000	5,629	,	202,426	197,980
		5,705	5,714	5,714
000 =0 1	2,000	2,000	2,000	2,000
228,534	234,906	231,998	233,890	229,444
112,777	111,441	111,502	111,600	109,558
89,666	96,431	96,641	98,426	96,022
5,664	5,629	5,705	5,714	5,714
208,107	213,501	213,848	215,740	211,294
20,427	21,405	18,150	18,150	18,150
250	250	250	250	250
250	250	250	250	250
19,513	22,355	18,400	18,400	18,400
19,513	22,355	18,400	18,400	18,400
	·		•	
(19,263)	(22,105)	(18,150)	(18,150)	(18,150)
113	700	_	_	_
		_	_	
-				
113		<u>-</u>	<u>-</u>	
113	700			
1 277	_			
1,=11				
4.223	5.500	5.500	5.500	5,500
.,3	0,000	2,223	2,223	5,530
5.500	5.500	5,500	5,500	5,500
	89,666 5,664 208,107 20,427 250 250 250 19,513 19,513	89,666 96,431 5,664 5,629 208,107 213,501 20,427 21,405 250 250 250 250 19,513 22,355 19,513 22,355 (19,263) (22,105) 113 700 113 700 113 700 114 700	89,666       96,431       96,641         5,664       5,629       5,705         208,107       213,501       213,848         20,427       21,405       18,150         250       250       250         250       250       250         19,513       22,355       18,400         19,263)       (22,105)       (18,150)         113       700       -         113       700       -         113       700       -         113       700       -         113       700       -         113       700       -         1,277       -       -         4,223       5,500       5,500	89,666       96,431       96,641       98,426         5,664       5,629       5,705       5,714         208,107       213,501       213,848       215,740         20,427       21,405       18,150       18,150         250       250       250       250         250       250       250       250         19,513       22,355       18,400       18,400         19,513       22,355       18,400       18,400         (19,263)       (22,105)       (18,150)       (18,150)         113       700       -       -         113       700       -       -         113       700       -       -         113       700       -       -         113       700       -       -         113       700       -       -         113       700       -       -         113       700       -       -         1277       -       -       -         4,223       5,500       5,500       5,500

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

Retained	Asset	Other	Contributed	Total
earnings	revaluation	reserves	equity/	equity
	reserve		capital	
\$'000	\$'000	\$'000	\$'000	\$'000
(20,002)	19,422	37,790	13,267	50,477
(20,002)	19,422	37,790	13,267	50,477
-				
(20,002)	19,422	37,790	13,267	50,477
			700	700
-	-	-	700	700
(20,002)	19,422	37,790	13,967	51,177
	earnings \$'000 (20,002) (20,002)	earnings revaluation reserve \$'000 \$'000  (20,002) 19,422 (20,002) 19,422  - (20,002) 19,422	earnings revaluation reserves \$'000 \$'000 \$'000  (20,002) 19,422 37,790  (20,002) 19,422 37,790  - (20,002) 19,422 37,790	earnings revaluation reserves equity/ capital \$'000 \$'

Table 3.2.5: Departmental capital budget statement

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Total equity injections	113	700	-	-	-
Appropriation of Previous Years					
Accrued revenue	-	12,523	-	-	-
Total capital appropriations	113	13,223	-	-	-
Represented by:					
Purchase of non-financial assets	113	700	-	-	-
Other Items	-	12,523	-	-	-
Total represented by	113	13,223	-	-	-
ACQUISITION OF NON-FINANCIAL ASSE	ETS				
Funded by capital appropriations	113	700	-	-	-
Funded internally from Departmental					
resources <sup>1</sup>	19,400	21,655	18,400	18,400	18,400
TOTAL	19,513	22,355	18,400	18,400	18,400

#### Footnotes:

- 1. Includes the following sources of funding:
  - annual and prior year appropriations
  - s31 relevant agency receipts
  - proceeds from the sale of assets

**Table 3.2.6: Statement of Asset Movements - Departmental** 

Table 0.2.0. Ctatement of 7.000t i		Dopartmontai		
		Other		
		Infrastructure,	Intangibles	Total
		Plant &		
	Buildings	Equipment		
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009				
Gross book value	28,875	22,513	35,059	86,447
Accumulated depreciation/amortisation	13,238	1,502	20,240	34,980
Opening net book balance	15,637	21,011	14,819	51,467
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
by purchase or internally developed	4,500	9,855	8,000	22,355
Sub-total	4,500	9,855	8,000	22,355
Other Movements				
Depreciation/amortisation expense	4,609	6,224	7,041	17,874
Disposals	-	200	-	200
Other	-	200	-	200
As at 30 June 2010				
Gross book value	20,137	30,466	22,819	73,422
Accumulated depreciation/amortisation	4,609	6,224	7,040	17,873
Closing net book balance	15,528	24,242	15,779	55,549

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

or Government (for the period t	iliaea su si	ille)			
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Total income administered					
on behalf of Government	-	-	-	-	-
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	192,880	190,380	142,880	142,880	142,880
Employees	5,350	6,527	5,350	5,350	5,350
Suppliers	2,170	3,493	2,170	2,170	2,170
Total expenses administered					
on behalf of Government	200,400	200,400	150,400	150,400	150,400

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

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS ADMINISTERED ON		· · · · · · · · · · · · · · · · · · ·		·	
BEHALF OF GOVERNMENT					
Financial assets					
Receivables	1,532	1,532	1,532	1,532	1,532
Total financial assets	1,532	1,532	1,532	1,532	1,532
Total assets administered					
on behalf of Government	1,532	1,532	1,532	1,532	1,532
LIABILITIES ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Provisions					
Employees	1,799	1,799	1,799	1,799	1,799
Total provisions	1,799	1,799	1,799	1,799	1,799
Payables					
Suppliers	106	106	106	106	106
Grants	1,430	1,430	1,430	1,430	1,430
Other payables	90	90	90	90	90
Total payables	1,626	1,626	1,626	1,626	1,626
Total liabilities administered					
on behalf of Government	3,425	3,425	3,425	3,425	3,425

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

Estimated	Budget	Forward	Forward	Forward
actual	estimate	estimate	estimate	estimate
2008-09	2009-10	2010-11	2011-12	2012-13
\$'000	\$'000	\$'000	\$'000	\$'000
195	195	195	195	195
195	195	195	195	195
5,350	6,526	5,350	5,350	5,350
192,880	190,380	142,880	142,880	142,880
2,170	3,494	2,170	2,170	2,170
195	195	195	195	195
200,595	200,595	150,595	150,595	150,595
(200,400)	(200,400)	(150,400)	(150,400)	(150,400)
-	-	-	-	-
200,400	200,400	150,400	150,400	150,400
-	-	-	-	-
	actual 2008-09 \$'000 195 195 5,350 192,880 2,170 195 200,595 (200,400)	actual estimate 2008-09 \$'000	actual estimate 2008-09 2009-10 2010-11 \$'000 \$'	actual 2008-09         estimate 2009-10         estimate 2010-11         estimate 2011-12           \$'000         \$'000         \$'000         \$'000           195         195         195         195           195         195         195         195           192,880         190,380         142,880         142,880           2,170         3,494         2,170         2,170           195         195         195         195           200,595         200,595         150,595         150,595           (200,400)         (200,400)         (150,400)         (150,400)

#### 3.2.4 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.

# Australian Agency for International Development (AusAID)

Agency resources and planned performance

# AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

### (AusAID)

Sectio	n 1: Agency overview and resources	105
1.1	Strategic direction	105
1.2	Agency resource statement	107
1.3	Budget measures	109
1.4	Transition from outcomes and outputs to outcomes and programs	111
Sectio	n 2: Outcomes and planned performance	113
2.1	Outcomes and performance information	113
Sectio	n 3: Explanatory tables and budgeted financial statements	124
3.1	Explanatory tables	124
3.2	Budgeted financial statements	127

## 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.

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

Total Appropriations excluding Special Accounts		1,702,011	2,983,050	4,659,016	3,226,526
	. –				
Total Special Appropriations	c ¯	-	-	-	-
by criteria/entitlement Special Appropriations limited by amount		-	-	_	-
Special Appropriations Special Appropriations limited					
Appropriations	_	1,702,011	2,983,050	4,659,016	3,226,526
Total Available Annual	_				<u> </u>
Total other services	В	1,702,011	12,398	12,398	280,801
Total	-	-	6,252	6,252	260,547
Administered non-operating <sup>2</sup> Administered Assets and Liabilities		_	6,252	6,252	260,547
Total	_	<del>-</del> -	1,608	1,608	1,822
Previous years' outputs	_	<u> </u>	<u> </u>	-	<u> </u>
Departmental non-operating <sup>2</sup> Equity injections		-	1,608	1,608	1,822
Total	_	<del>-</del> -	4,538	4,538	18,432
Specific payments to States, ACT, NT and local government	_		<u>-</u>	-	
Outcome 1		-	4,538	4,538	18,432
Administered Revenue <sup>7</sup>					
Other services	^_	1,102,011	2,310,002	7,070,010	2,070,720
Total ordinary annual services	Α -	1,702,011	2,970,652	4,646,618	2,945,725
Outcome 2 Total	_	1,675,966	3,868 <b>2,837,268</b>	3,868 <b>4,513,234</b>	4,386 <b>2,815,276</b>
Outcome 1		1,675,966 <sup>6</sup>	2,833,400	4,509,366	2,810,890
Administered expenses					
Total	_	26,045	133,384	133,384	130,449
s31 Relevant agency receipts³		<u>-</u>	231	231	231
Prior year Departmental appropriation  Departmental appropriation <sup>5</sup>	n	26,045 4	- 133,153	26,045 133,153	- 130,218
Ordinary Annual Services <sup>1</sup> Departmental					
Ordinary Annual Carriage 1	_	\$'000	\$'000	\$'000	\$'000
		2009-10	2009-10	2009-10	2008-09
		available in			
		year amounts	at Baagot	Commute	appropriation
		Estimate of prior +	Proposed at Budget =	Total estimate	Actual available

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

		•	`	,	
		Estimate	Proposed	Total	Actua
		of prior +	at Budget =	Estimate	Available
		year amounts			Appropriation
		available in			
		2009-10	2009-10	2009-10	2008-09
		\$'000	\$'000	\$'000	\$'000
Special Accounts <sup>8</sup>	_				
Opening balance		531,729	-	531,729	531,729
Appropriation Receipts Appropriation receipts		-	-	-	-
- other agencies <sup>7</sup>					
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	е				
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.
- Estimated adjusted balance carried forward from previous year for Departmental Annual Appropriations.
   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

Table 1.2: Agency 2009-10 i	Program	2008-09	2009-10	2010-11	2011-12	2012-13
	r rogram	\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures					·	· ·
Overseas development assistance - food security through rural development	1.1, 1.2, 1.3					
Administered expenses Departmental expenses		-	24,750 2,331	34,800 3,319	119,000 3,250	203,500 3,313
Overseas development assistance - Economic Infrastructure	1.1, 1.2, 1.3					
Administered expenses Departmental expenses		-	11,500 417	20,000 2,302	164,000 2,177	251,000 2,214
Overseas development assistance - performance-linked aid	1.1, 1.2, 1.3					
Administered expenses Departmental expenses		-	6,500 511	24,900 908	144,100 2,617	153,300 2,658
Overseas development assistance - Regional Assistance Mission to Solomon Islands	1.1					
- continuation <sup>1</sup>						
Administered expenses Departmental expenses		-	(472) 12	(1,840) 1	(7,918) (5)	(18,962) (505)
Overseas development assistance - improving responsiveness and accountability in government	1.1					
Administered expenses		-	4,200	5,500	59,500	67,700
Departmental expenses Overseas development assistance - Afghanistan and Pakistan Increased	1.3	-	417	421	425	430
Assistance <sup>2</sup> Administered expenses		_	3,000	7,000	31,000	39,000
/ tarrilliotorou experiede			0,000	7,000	01,000	00,000

Prepared on a Government Financial Statistics (fiscal) basis.

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

			,	,		
	Program	2008-09	2009-10	2010-11	2011-12	2012-13
	Ü	\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures Overseas development assistance - Prime Minister's	1.1	,,,,,	, , , ,		, , , , ,	, , , , ,
Pacific Australia Awards						
Administered expenses		-	750	750	750	750
Overseas development	1.1					
assistance - Nauru <sup>3</sup>						
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:						

#### Notes:

Prepared on a Government Financial Statistics (fiscal) basis.

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.

<sup>2.</sup> This amount reflects funding additional to that contained within AusAID's forward estimates of \$272.8 million.

<sup>3.</sup> This measure is already contained within the forward estimates.

### 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

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

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

### 2009-10 Budget year

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

Program 1.1: Official Development As: PNG & Pacific	sistance -
Administered Items	01

Program 1.2: Official Development As East Asia	ssistance -
Administered Items	01

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

Administered Items

O 1

Program 1.4: Official Development Assista Emergency, Humanitarian and Refugee Programs	ance -
Administered Items	01

### Figure 2: Transition table (continued)

#### 2008-09 Budget year

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

#### 2009-10 Budget year

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

Program 1.5: Official Development Assi Multilateral Replenishments	stance -
Administered Items	01

Program 1.6: Official Development Assistar	nce -
UN Commonwealth and Other International	
Organisations	
Administered Items	01

Program 1.7: Official Development Assista NGO, Volunteer and Community Programs	
Administered Items	01

Departmental Programs	
Departmental Support	0 1.1
	O 1.2

Outputs 1.1 and 1.2	
1.1 Policy	DS
1.2 Program management	DS

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

Outcome 2 Administered	
Appropriation (O2)	
Administered Items	P 2.1
Special Accounts	

Output 2.1	
2.1 Australia-Indonesia Partnership for	DS
Reconstruction and Development	
Supplementary funding	

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

Program 2.1 East Asia	
Administered Items	02
Special Accounts	

Departmental Programs	
Departmental Support	0 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 Outcom	ne 1	
Outcome 1: To assist developing countries to reduce poverty and	2008-09	2009-10
achieve sustainable development, in line with Australia's national	Estimated	Estimated
interest	Actual	Expenses
	Expenses	
	\$'000	\$'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) Special Accounts	444,642	552,400
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

	2008-09	2009-10
	Estimated	Estimated
	Actual	Expenses
	Expenses	
	\$'000	\$'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.

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**

• To assist developing countries in PNG and the Pacific region to reduce poverty and achieve sustainable development.

### **Program Expenses**

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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**

- 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**

• To assist developing countries in the East Asia region to reduce poverty and achieve sustainable development.

### **Program Expenses**

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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**

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

• To assist developing countries respond to emergencies and assist refugees.

### **Program Expenses**

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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**

- 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**

• To assist developing countries through contributions to multilateral organisations.

#### **Program Expenses**

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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**

- 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	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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**

Administered Item  Total Program Expenses	94,647	108,600 <b>108.600</b>	115,134 <b>115.134</b>	124,852 <b>124.852</b>	139,979 <b>139,979</b>
Annual Administered Expenses:					
	\$'000	\$'000	\$'000	\$'000	\$'000
	2008-09	2009-10	2010-11	2011-12	2012-13
	actual	estimate	estimate	estimate	estimate
	Estimated	Budget	Forward	Forward	Forward

### **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	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Departmental Expenses:					
Departmental Item	123,736	127,144	131475	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	2008-09	2009-10
partnership between Australia and Indonesia for reconstruction and	Estimated	Estimated
development	Actual	Expenses
	Expenses	
	\$'000	\$'000
Outcome 2 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	4,386	3,868
AIPRD loans special account <sup>1</sup>	130,000	70,000
AIPRD grants special account <sup>1</sup>	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

<sup>1.</sup> 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	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Administered Expenses:					
Administered Item	4,386	3,868	3,668	-	-
Special Account Expenses:					
AIPRD loans special account1	130,000	70,000	70,000	70,000	22,372
AIPRD grants special account <sup>1</sup>	132,056	33,086	-	-	-
Total Program Expenses	266,442	106,954	73,668	70,000	22,372

<sup>1.</sup> 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	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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

<sup>1.</sup> 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				Closing
		balance	Receipts	Payments	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	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
Financial Management and Accountability Act 1997 s.20		4,215	5,000	5,000	-	4,215
Other Trust Moneys Account (D)	1	-	-	-	-	-
Financial Management and Accountability Act 1997 s.20		-	-	-	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A)	2	33,086	-	33,086	-	-
Financial Management and Accountability Act 1997 s.20		165,142	-	132,056	-	33,086
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A)	2	232,372	-	70,000	-	162,372
Financial Management and Accountability Act 1997 s.20		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

<sup>(</sup>A) = Administered

<sup>(</sup>D) = Departmental

### 3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

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

(ioi tile period cilded oo dalle)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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)		-	-	-	<u>-</u>
Surplus (Deficit) attributable to					
the Australian Government	-	-	-	-	-

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

(as at so suris)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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*		7,555	,	.,	
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' in the regidual interest in acce	to ofter deduction	on of liabilities		•	

<sup>\* &#</sup>x27;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)

(ioi tile period elided 30 Julie)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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

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

`	,				
	Retained	Asset	Other	Contributed	Total
	earnings	revaluation	reserves	equity/	equity
		reserve		capital	
	\$'000	\$'000	\$'000	\$'000	\$'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					
Contribution by owners					
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

Table 3.2.5: Departmental capital budget statement

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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	-

**Table 3.2.6: Statement of Asset Movements - Departmental** 

	Buildings	Other	Intangibles	Total
		infrastructure,		
		plant and		
		equipment		
	\$'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

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

or covernment (for the period of	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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

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

of Government (as at 30 June)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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 <sup>1</sup>	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
· · ·			654,539	593,265	662,003
Total payables	784,531	629,802	654,539	<b>593,∠6</b> 5	002,003
• •	784,531	629,802	654,539	593,265	002,003
Total liabilities administered on behalf of Government	784,531 1,805,648	1,511,429	1,689,090	1,446,906	1,726,801

Note

<sup>1.</sup> Refer to Section 3.2.1 for further detail.

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

(tor the period ended 30 Ju	ne)				
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
_	\$'000	\$'000	\$'000	\$'000	\$'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	2,545,479	2,797,900	2,890,986	3,062,781	3,292,582
program					
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 Cash from Official Public Account for:	5,751	5,751	5,751	5,751	5,751
- appropriations	2,480,695	2,843,957	3,063,233	3,315,862	3,531,115
	267,056	108,086	75,000	75,000	27,372
- special accounts	207,030	100,000	10,000		

Table 3.2.10: Schedule of administered capital budget

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'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

Table 3.2.11: Schedule of Asset Movements - Administered

	Buildings	Other	Intangibles	Total
	-	infrastructure,	-	
		plant and		
		equipment		
	\$'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				
Extimated 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

#### 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.

## Australian Centre for International Agricultural Research (ACIAR)

# Agency resources and planned performance

## AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section	on 1: Agency overview and resources	145
1.1	Strategic direction	145
1.2	Agency resource statement	147
1.3	Budget measures	148
1.4	Transition from outcomes and outputs to outcomes and programs	149
Section	on 2: Outcomes and planned performance	150
2.1	Outcomes and performance information	150
Section	on 3: Explanatory tables and budgeted financial statements	156
3.1	Explanatory tables	156
3.2	Budgeted financial statements	158

## Australian Centre For International Agricultural Research (ACIAR)

#### Section 1: Agency overview and resources

#### 1.1 STRATEGIC DIRECTION

The Australian Centre for International Agricultural Research (ACIAR) develops programs that primarily link Australian research expertise with developing country counterparts to address agricultural problems of mutual priority. ACIAR operates as part of Australia's official development assistance program, in developing countries of the Asia-Pacific region and in parts of Africa, to improve livelihoods and increase agricultural productivity and sustainability. Research partnerships may involve Australian universities, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), State Departments of Primary Industries and Natural Resources, the private sector and non-government organisations. In many cases partnerships also involve International Agricultural Research Centres (IARCs) that are supported by many donors, including the Australian Government.

Priorities for each partner country are developed in close collaboration with partner country government policymakers, industry and farmer representatives, research institutions and agricultural and natural resource systems managers. These strategies integrate closely with the Australian Government's broader aid program including the new *Overseas Development Assistance - Food Security Through Rural Development* initiative, and regional, sectoral and country strategies.

The Centre contributes to the achievement of these strategies within a single outcome: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems. Total appropriation in 2009-10 will amount to \$63.6 million, with \$12.6 million from AusAID for specific programs in several countries and for support of a number of postgraduate fellowships.

Key elements of ACIAR expenditure in 2009-10 will be investment in the following new programs that address food security, climate change and improved market engagement of smallholder agriculture:

- safeguarding food security through improving the productivity of rice-based farming systems of South and South-East Asia;
- delivering key elements of the *Overseas Development Assistance Food Security Through Rural Development* initiative which includes a strong focus on Africa;

- climate change adaptation in the rice-based farming systems of selected Mekong and South Asian countries;
- opportunities for developing high-value agricultural, forestry and fisheries products in Pacific Island countries;
- improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea;
- co-funded collaboration with India on the application of new wheat breeding and selection methods;
- initiatives to restore agricultural productivity in Afghanistan and Iraq; and
- a contribution to global agricultural productivity through an increased investment in the Consultative Group for International Agricultural Research.

ACIAR will continue to align more of its investment to poorer countries (such as Laos and Cambodia) and in particular 'lagging regions' within partner countries. These areas (southern Philippines, eastern Indonesia [including Papua and West Papua], and south-central coastal and north-western Vietnam) will be the focus of a continued shift to larger, multidisciplinary programs. ACIAR also manages research and development and institutional development investments on behalf of the Australian Government as components of certain AusAID-managed development programs, such as the Cambodia Agricultural Value Chain (CAVAC) program in Cambodia, and the Smallholder Agribusiness Development Initiative (SADI) in Indonesia.

New research partnerships in 2009-10 will enhance smallholder incomes for horticultural and tree crops in Papua New Guinea, and high-value horticultural, forestry and fisheries products in Pacific Island countries. In South-East Asia new initiatives will begin for biosecurity and crop and livestock production in Indonesia; development of improved production and marketing systems for rice-based farming systems in Cambodia and Southern Laos; and mariculture in the Philippines. There will be a focus on the development of better approaches for adaptation to climate change for rice farmers in targeted parts of the Mekong and South Asia. The Australian Government's support to the Consultative Group on International Agricultural Research (CGIAR), which is undergoing a process of reform, will significantly increase in 2009–10. The key reforms centre on the creation of a multi-donor CGIAR Central Fund and of a Consortium Board to oversight programs supported by the Central Fund. The Government's intention is that a significant proportion of this expanded support will be directed to specified mega-programs oversighted by a Donor Council and executed by the Consortium.

ACIAR also develops the skills of partner country research scientists involved in Centre programs through its training program. Expenditure on training is budgeted at \$6.1 million in 2009-10, the majority on two fellowship schemes. The first offers developing country scientists post-graduate study opportunities in Australia in areas relevant to partner country priorities. The second targets emerging leaders in agricultural science through short-term research management training at relevant Australian institutions. Through the Crawford Fund, ACIAR also supports training activities that complement the Centre's projects.

#### 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: ACIAR resource statement — Budget estimates for 2009-10 as at Budget May 2009

annual or special appropriations above				
Less appropriations drawn from	.,0.0	- 0,0	- 1,= • 1	00,000
Total resourcing	4,976	76,228	81,204	69,080
Total Special Account	3,476	12,589	16,065	16,747
Special Accounts	-,	12,589	12,589	13,271
Opening balance	3,476	_	3,476	3,476
Special Accounts	1,000	00,000	00,100	02,000
Appropriations	1,500	63,639	65,139	52,333
Total Available Annual	<del></del>	23,000	30,100	
Total ordinary annual services	_	63,639	65,139	
Total	-	53,831	53,831	
Outcome 1	_	53,831	53,831	_
Administered expenses		-,	11,000	,
Total	1,500	9,808	11,308	52,333
Departmental appropriation	1,500	9,808	11,308	52,333
Ordinary Annual Services <sup>1</sup> Departmental appropriation				
	\$'000	\$'000	\$'000	\$'000
	2009-10	2009-10	2009-10	2008-09
	available in			
	year amounts			appropriation
	of prior +	at Budget =	estimate	available
	Estimate	Proposed	Total	Actual

<sup>&</sup>lt;sup>1</sup> Appropriation Bill (No.1) 2009-10

Reader note: All figures are GST exclusive.

#### 1.3 BUDGET MEASURES

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

Table 1.2: Agency 2009-10 Budget measures

	Program	2008-09	2009-10	2010-11	2011-12	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures						
Australian Centre for International Agricultural Research - redirect						
funding	1					
Administered expenses		-	(400)	(400)	(400)	(400)
Total		-	(400)	(400)	(400)	(400)
Overseas development assistance - food security through rural development	1					
Administered expenses		-	10,698	14,696	20,693	21,690
Departmental expenses		-	302	304	307	310
Total		-	11,000	15,000	21,000	22,000
Total expense measures						
Administered		_	10,298	14,296	20,293	21,290
Departmental		-	302	304	307	310
Total		-	10,600	14,600	20,600	21,600

Prepared on a Government Financial Statistics (fiscal) basis.

<sup>1.</sup> The lead agency for measure *Overseas Development Assistance - Food Security Through Rural Development* is AusAID. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.

### 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.

Figure 2: Transition table

#### 2008-09 Budget year

Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems.

Output Group 1.1: Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia

Departmental Outputs:

Program Management

Program Support

Output Group 1.2: Trained researchers in developing countries and Australia

Departmental Outputs:
Program Management
Program Support

#### 2009-10 Budget year

Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems.

Program 1: International Agricultural Research and Development

Administered Items:

Program Management
Departmental Outputs:

Program Support

#### 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 on the Australian community. 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 ACIAR in achieving government outcomes.

Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems

#### **Outcome 1 Strategy**

ACIAR has a single outcome: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems. This is achieved through collaborative research that addresses agricultural problems of developing countries and Australia, and through training of researchers in developing countries and Australia. The key strategic directions ACIAR will adopt in 2009-10 are described in section 1 above, and in greater detail in the Centre's Annual Operational Plan 2009-10 (www.aciar.gov.au).

As part of ACIAR's participation in the *Overseas Development Assistance - Food Security Through Rural Development* initiative, ACIAR will deliver two new programs. The first will focus on improving the productivity of rice-based farming systems in selected countries in South and South-East Asia, and the second aims to develop high-value agricultural, forestry and fisheries products for Pacific Island countries.

The Australian Government will significantly increase investment in the Consultative Group for International Agricultural Research (CGIAR), in support of reform processes within the CGIAR. These processes are designed to change the partnerships between donors and individual centres to create greater certainty in funding arrangements through a centralised fund. The result will help direct secure funding streams to projects within broader mega-programs, covering a range of overarching research priorities, such as water resources or staple food production.

#### **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

	2008-09	2009-10
	Estimated	Estimated
	Actual	Expenses
	Expenses	
	\$'000	\$'000
Program 1 : International Agricultural Research and Development		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	53,831
Special Accounts	-	12,589
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	52,333	9,808
Revenues from Independent Sources (Section 31)	50	50
Special Accounts	13,271	-
Expenses not requiring Appropriation in the Budget year	24	24
Total for Program 1	65,678	76,302
Total Expenses for Outcome 1	65,678	76,302
	2008-09	2009-10
Average Staffing Level (number)	65	65

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

#### **Contributions to Outcome 1**

#### **Program 1: International Agricultural Research and Development**

#### **Program Objective**

ACIAR has the single program of International Agricultural Research and Development, delivered through ongoing country programs and the following initiatives:

- safeguarding food security through improving the productivity of rice-based farming systems of South and South-East Asia;
- delivering key elements of the *Overseas Development Assistance Food Security Through Rural Development* initiative which includes a strong focus on Africa;
- climate change adaptation in the rice-based farming systems of selected Mekong and South Asian countries;
- opportunities for developing high-value agricultural, forestry and fisheries products in Pacific Island countries;
- new programs improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea;
- co-funded collaboration with India on the application of new wheat breeding and selection methods;
- new initiatives to restore agricultural productivity in Afghanistan and Iraq; and
- a contribution to global agricultural productivity through an increased investment in the Consultative Group for International Agricultural Research.

#### **Program Expenses**

#### **Administered**

Total Administered Expenses	-	66,420	64,684	68,493	66,410
ACIAR Special Account	-	12,589	5,505	4,052	-
Special Account Expenses:					
Administered Item	-	53,831	59,179	64,441	66,410
Annual Administered Expenses:					
	('000')	('000')	('000)	('000)	('000)
	budget	estimate	estimate	estimate	estimate
	Revised	Budget	Forward	Forward	Forward
	2008-09	2009-10	2010-11	2011-12	2012-13

#### Departmental

	2008-09	2009-10	2010-11	2011-12	2012-13
	Revised	Budget	Forward	Forward	Forward
	budget	estimate	estimate	estimate	estimate
	('000')	('000)	('000)	('000')	('000)
Annual Departmental Expenses:					
Departmental Item	52,383	9,858	9,901	9,761	9,828
Special Account Expenses:					
ACIAR Special Account	13,271	-	-	-	-
Expenses not requiring Appropriation in					
the Budget year	24	24	24	24	24
Total Departmental Expenses	65,678	9,882	9,925	9,785	9,852

#### **Program 1 Deliverables**

- Increasing the productivity of rice-based farming systems in selected Mekong and South Asian countries through improved crop rotations and water use, fast-tracking the development of new crop varieties.
- Undertaking research to underpin adaptation to climate change at the farm level by focusing on more efficient water use, optimisation of crop choices, seasonal climate forecasting and targeted capacity building.
- Confirming and identifying the opportunity for Pacific high-value products based on a sound and detailed international market analysis. This includes identifying and developing strategies to address supply chain constraints focusing on developing the linkages between farmers, agribusiness and other players, and identifying value-adding opportunities, supported by developing capacity within research and agribusiness organisations within the Pacific.
- Confirming programs underway targeted at improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea.
- Designing and implementing a program to address and mitigate agricultural impacts of irrigation water salinity in southern Iraq.
- Investing a significant proportion of funds in new CGIAR specified mega-programs.
- As part of a whole-of-government program, contributing to the design and implementation of a second phase of the Smallholder Agribusiness Development Initiative in Eastern Indonesia.
- Managing the research and extension component of the Cambodian Agricultural Value Chain program, funded on behalf of the Australian Government through AusAID.

#### **Program 1 Key Performance Indicators**

- Biophysical and policy constraints and opportunities for climate adaptation assessed at the farm level, and the efficacy of agro-meteorological and extension services in the context of climate change adaptation assessed in Mekong countries and Bangladesh.
- Technologies developed to enhance smallholder livelihoods from export tree crops and sweet potato in Papua New Guinea through increased crop yields, appropriate management of soil and nutrients, and by improved post-harvest handling and marketing within a socio-cultural context that reduces constraints to adoption.
- New market-driven product opportunities (including forestry, fruits, vegetables, flowers, fishery products, nuts, herbs and spices) identified, and research and development projects to address these designed and implemented in at least two Pacific countries.
- In Indonesia, new aquaculture planning tools are used routinely by national and regional agencies to formulate management strategies.
- Implementation of new agricultural livelihoods program in north-western mountainous provinces of Vietnam.
- Key disease constraints to major fruit (papaya, jackfruit and durian) production and quality, and broader constraints to papaya industry efficiency and profitability, identified in the Philippines through mapping of representative supply chains and communicated to industry and producers.
- Activities addressing wheat breeding and linkages to international bioinformatics initiatives implemented as part of the joint Indian-Australian collaborative program on marker-assisted breeding in wheat.
- Productivity gains realised in horticultural and dairy enterprises in Pakistan leading to higher farmer incomes in selected areas.
- Investment in new CGIAR mega-programs scoped and finalised.

### 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.

ACIAR has no movement of administered funds.

#### 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 ACIAR.

Table 3.1.2: Estimates of Special Account cash flows and balances

		Opening				Closing
		balance	Receipts	Payments	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	3,476	12,589	12,589	-	3,476
Other Trust Moneys Account (D)		-	-	-	-	-
Sevices for Other Governments and Non-Agency Bodies Account (D) Total special accounts		-	-	-	-	-
2009-10 Budget estimate	_	3,476	12,589	12,589	-	3,476
Total special accounts						
2008-09 estimate actual	_	3,476	13,271	13,271	-	3,476

<sup>(</sup>A) = Administered

#### 3.1.3 Australian Government Indigenous Expenditure

ACIAR's business model provides opportunities for engagement of Australian indigenous communities as partners in ACIAR projects. Grant administration is ACIAR's primary vehicle for engagement of indigenous communities in its programs.

**Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)** 

Outcome		Approp	riations		Other	Total	Program
•	Bill	Bill	Special	Total			
	No. 1	No. 2	approp	approp			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
ACIAR							
Outcome 1							
Administered 2009-10	200	-	-	200	-	200	1
Administered 2008-09	-	-	-	-	-	-	
Departmental 2009-10	-	-	-	-	-	-	
Departmental 2008-09	184	-	-	184	-	184	1
Total Outcome 2009-10	200	-	-	200	-	200	
Total Outcome 2008-09	184	-	-	184	-	184	
Total administered 2009-10	200	-	-	200	-	200	
Total administered 2008-09	-	-	-	-	-	-	
Total departmental 2009-10	-	-	-	-	-	-	
Total departmental 2008-09	184	-	-	184	-	184	
Total AGIE 2009-10	200	-	-	200	-	200	
Total AGIE 2008-09	184	-	-	184	-	184	

<sup>(</sup>D) = Departmental

#### 3.2 BUDGETED FINANCIAL STATEMENTS

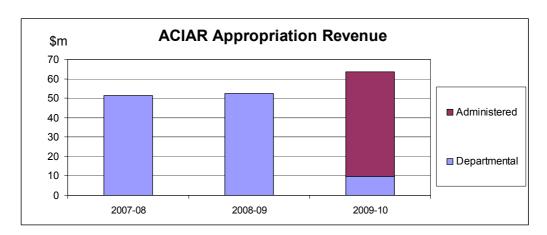
#### 3.2.1 Differences in agency resourcing and financial statements

From 2009-10 ACIAR's budget has been split between 'departmental' and 'administered'. In the past all ACIAR's appropriation had been deemed to be 'departmental'.

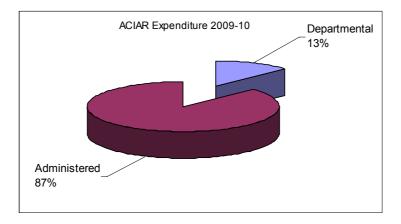
#### 3.2.2 Analysis of budgeted financial statements

An analysis of ACIAR's budgeted financial statements for 2009-10 is provided below.

Total appropriation revenue has been relatively constant over the past two years. The graph below shows an increase in ACIAR's appropriation for 2009-10. The increase represents funding under a new measure *Overseas Development Assistance - Food Security Through Rural Development*.



The chart below indicates the new split between 'departmental' and 'administered' expenditure for 2009-10.



#### **Departmental**

The attached financial statements show new 'departmental' figures for 2009-10 and beyond. 2008-09 figures still show a consolidated view of all funding as 'departmental'.

#### **Administered**

The attached financial statements show new 'administered' figures for 2009-10 and beyond. 2008-09 figures show zero balances as these figures have been included as 'departmental'.

#### 3.2.3 Budgeted financial statements tables

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

(for the period ended 30 Julie)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	5,600	5,850	5,900	5,950	6,000
Supplier	3,689	3,727	3,720	3,500	3,517
Grants	48,598	-	-	-	-
Depreciation and amortisation	295	295	295	325	325
Losses from asset sales	10	10	10	10	10
Other	7,471	-	-	-	-
Total expenses	65,663	9,882	9,925	9,785	9,852
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	10	10	10	10	10
Grants received	13,256	-	-	-	-
Other revenue	40	40	40	40	40
Total revenue	13,306	50	50	50	50
Gains					
Other gains	24	24	24	24	24
Total gains	24	24	24	24	24
Total own-source income	13,330	74	74	74	74
				a = 4.4	
Net cost of (contribution by) services	52,333	9,808	9,851	9,711	9,778
Appropriation revenue	52,333	9,808	9,851	9,711	9,778
Appropriation revenue	52,333	9,000	9,001	9,711	9,776
Surplus (Deficit)		-	-	-	-
Surplus (Deficit) attributable to the					
Australian Government	-	-	-	-	

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

(as at 55 cane)	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and equivalents	3,937	500	500	500	500
Trade and other Receivables	3,263	890	940	990	1,090
Total financial assets	7,200	1,390	1,440	1,490	1,590
Non-financial assets					
Land and buildings	400	400	400	704	704
Infrastructure, plant and equipment	310	310	310	310	310
Intangibles	170	170	170	170	170
Other	205	150	150	150	150
Total non-financial assets	1,085	1,030	1,030	1,334	1,334
Assets held for sale					
Total assets	8,285	2,420	2,470	2,824	2,924
LIABILITIES					
Provisions					
Employees	1,238	1,250	1,300	1,350	1,450
Total provisions	1,238	1,250	1,300	1,350	1,450
Payables					
Suppliers	236	236	236	236	236
Grants	2,419	-	-	-	-
Other	3,458	-	-	-	
Total payables	6,113	236	236	236	236
Total liabilities	7,351	1,486	1,536	1,586	1,686
Net assets	934	934	934	1,238	1,238
				.,	
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	304	304
Reserves	325	325	325	325	325
Retained surpluses or					
accumulated deficits	609	609	609	609	609
Total parent entity interest	934	934	934	1,238	1,238
Total equity	934	934	934	1,238	1,238
Current assets	7,405	1,540	1,590	1,640	1,740
Non-current assets	880	880	880	1,184	1,184
Current liabilities	6,980	1,111	1,146	1,181	1,251
Non-current liabilities	371	375	390	405	435

<sup>\*</sup>Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

(ioi mo poiled chara to came,					
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	15	15	15	15	15
Appropriations	52,333	9,808	9,851	9,711	9,778
Other	15,756	350	350	350	350
Total cash received	68,104	10,173	10,216	10,076	10,143
Cash used					
Employees	5,500	5,800	5,850	5,900	5,950
Suppliers	3,739	4,088	4,081	3,861	3,878
Grants	50,609	-	-	-	-
Other	7,971	-	-	-	-
Total cash used	67,819	9,888	9,931	9,761	9,828
Net cash from or (used by)					
operating activities	285	285	285	315	315
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property,					
plant and equipment	10	10	10	10	10
Total cash received	10	10	10	10	10
Cash used					
Purchase of property, plant					
and equipment	295	295	295	629	325
Total cash used	295	295	295	629	325
Net cash from or (used by)					
investing activities	(285)	(285)	(285)	(619)	(315)
	(===)	(===)	(===)	(3.5)	()
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	-	_	304	_
Total cash received		-	_	304	-
Net cash from or (used by)					
financing activities				304	
Net increase or (decrease)					
in cash held		_	_	_	_
Cash at the beginning of					
the reporting period	3,937	500	500	500	500
Cash at the end of the	0,001	000	550	000	200
reporting period	3,937	500	500	500	500
- operang period	0,007	000			

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

	Retained	Asset	Other C	ontributed	Total
	earnings	revaluation	reserves	equity/	equity
		reserve		capital	
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2009  Balance carried forward from			-		
previous period	609	325	-	-	934
Adjusted opening balance	609	325	-	-	934
Total income and expenses					
recognised directly in equity	-	-	-	-	
Estimated closing balance					
as at 30 June 2010	609	325	-	-	934

Table 3.2.5: Departmental capital budget statement

. a.a.e c.=.c. = cpa. acta. cap.					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	304	-
Total capital appropriations	-	-	-	304	-
Represented by:					
Purchase of non-financial assets	-	-	-	304	-
Total represented by		-	-	304	-
ACQUISITION OF NON-FINANCIAL					
ASSETS					
Funded by capital appropriations	-	-	-	304	-
Funded internally from					
departmental resources <sup>1</sup>	295	295	295	325	325
TOTAL	295	295	295	629	325

<sup>&</sup>lt;sup>1</sup> Includes the following sources of funding:

<sup>-</sup> annual and prior year appropriations

<sup>-</sup> proceeds from the sale of assets

Table 3.2.6: Statement of Asset Movements - Departmental

		Other		
		Infrastructure,	Intangibles	Total
	Buildings	P&E	intangibles	Total
	9		<b>¢1000</b>	¢!000
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009				
Gross book value	651	1,066	580	2,297
Accumulated depreciation/amortisation	(251)	(756)	(410)	(1,417)
Opening net book balance	400	310	170	880
CAPITAL ASSET ADDITIONS Estimated expenditure on new or replacement assets				
by purchase or internally developed	96	178	31	305
Sub-total	96	178	31	305
Other Movements				
Depreciation/amortisation expense	96	168	31	295
Disposals	-	10	-	10
As at 30 June 2010				
Gross book value	747	1,234	611	2,592
Accumulated depreciation/amortisation	(347)	(924)	(441)	(1,712)
Closing net book balance	400	310	170	880

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

		- /			
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation					
revenues	-	12,589	5,505	4,052	-
Total non-taxation	-	12,589	5,505	4,052	-
Total revenues administered					
on behalf of Government		12,589	5,505	4,052	-
Total gains administered					
on behalf of Government	-	-	-	-	-
Total income administered					
on behalf of Government	-	12,589	5,505	4,052	-
EXPENSES ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Grants	-	58,939	60,203	64,012	61,929
Other	-	7,481	4,481	4,481	4,481
Total expenses administered					
on behalf of Government	-	66,420	64,684	68,493	66,410

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

	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	-	3,476	3,476	3,476	-
Receivables	-	100	100	100	100
Total financial assets	-	3,576	3,576	3,576	100
Total non-financial assets	-	-	_	-	-
Total assets administered					
on behalf of Government		3,576	3,576	3,576	100
LIABILITIES ADMINISTERED ON					
BEHALF OF GOVERNMENT					
Payables					
Grants	-	100	100	100	100
Other payables	-	3,476	3,476	3,476	-
Total payables	-	3,576	3,576	3,576	100
Total liabilities administered					
on behalf of Government	-	3,576	3,576	3,576	100

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

(101 010   10110 010 010 010 010 010 010					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Grants Received		12,589	5,505	4,052	-
Total cash received		12,589	5,505	4,052	-
Cash used					
Grant payments	-	60,515	60,203	64,012	65,405
Other	-	5,905	4,481	4,481	4,481
Total cash used	-	66,420	64,684	68,493	69,886
Net cash from or (used by)					
operating activities		(53,831)	(59,179)	(64,441)	(69,886)
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account		53,831	59,179	64,441	66,410
Net cash from or (used by)		00,001	00,170	01,111	00,110
financing activities		53,831	59,179	64,441	66,410
INVESTING ACTIVITIES					
Net cash from or (used by)					
investing activities					
· ·		-			
Net increase or (decrease) in					(0.4==:
cash held		-			(3,476)
Cash at beginning of reporting period	-	3,476	3,476	3,476	3,476
Cash at end of reporting period	-	3,476	3,476	3,476	-

#### 3.2.4 Notes to the financial statements

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

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

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

ACIAR's financial statements are required by section 49 of the *Financial Management and Accountability Act* 1997 and are prepared in accordance with the Financial Management and Accountability (FMA) Orders.

The Centre is a Statutory Authority under the *Australian Centre for International Agricultural Research Act 1982*. The accounts have been prepared in accordance with that Act.

#### **Appropriations in the Accrual Budgeting Framework**

Under the Australian Government's accrual budgeting framework, annual appropriations are provided for departmental price of outputs representing the Government's purchase of outputs from agencies.

#### **Asset valuation**

From 30 June 2003 Property, Plant and Equipment have been valued on a fair value basis. Fair value essentially reflects the current market value of an asset.

## **Australian Secret Intelligence Service (ASIS)**

# Agency resources and planned performance

# AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)

<b>Sectio</b>	n 1: Agency overview and resources	175
1.1	Strategic direction	175
1.2	Agency resource statement	176
1.3	Budget measures	177
1.4	Transition from outcomes and outputs to outcomes and programs	178
Sectio	n 2: Outcomes and planned performance	179
2.1	Outcomes and performance information	179
Sectio	n 3: Explanatory tables and budgeted financial statements	183
3.1	Explanatory tables	183
3.2	Budgeted financial statements	185

## **AUSTRALIAN SECRET INTELLIGENCE SERVICE (ASIS)**

## Section 1: Agency overview and resources

#### 1.1 STRATEGIC DIRECTION

In 2009-10 the Australian Secret Intelligence Service (ASIS) will continue to enhance Government understanding of the overseas environment affecting Australia's vital interests. ASIS will take appropriate action, consistent with applicable legislation, to protect and promote Australia's vital interests through the provision of unique foreign intelligence services as directed by the Government.

The primary functions of ASIS are:

- (a) to obtain, in accordance with the Government's requirements, intelligence about the capabilities, intentions or activities of people or organisations outside Australia;
- (b) to communicate, in accordance with the Government's requirements, such intelligence;
- (c) to conduct counter-intelligence activities;
- (d) to liaise with intelligence or security services, or other authorities, of other countries; and
- (e) to undertake such other activities as the responsible Minister directs relating to the capabilities, intentions or activities of people or organisations outside Australia.

## 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: ASIS Resource Statement — Budget estimates for 2009-10 as at Budget May 2009

		Estimate	Proposed	Total	Actual
		of prior <sup>↑</sup>	at Budget =	Estimate	Available
		year amounts			Appropriation
		available in			
		<b>2009-10</b> \$'000	<b>2009-10</b> \$'000	<b>2009-10</b> \$'000	<b>2008-09</b> \$'000
Ordinary Annual Services 1					
Departmental					
Departmental appropriation		-	202,404	202,404	165,113
s31Relevant agency receipts <sup>3</sup>		-	32 461	32,461	30,884
Total ordinary annual services	Α	_	234,865	234,865	195,997
Other services <sup>2</sup>					
Departmental non-operating					
Equity injections		-	12,816	12,816	20,939
Previous years' outputs		56,440	-	56,440	46,440
Total other services	В	56,440	12,816	69,256	67,379
Total Available Annual					
Appropriations		56,440	247,681	304,121	263,376
Total resourcing					
A+B					
Total net resourcing for ASIS		56,440	247,681	304,121	263,376

<sup>&</sup>lt;sup>1</sup>Appropriation Bill (No.1)2009-10

Reader note: All figures are GST exclusive.

<sup>&</sup>lt;sup>2</sup> Appropriation Bill (No.2) 2009-10

<sup>&</sup>lt;sup>3</sup> s31Relevant Agency receipts - estimate

## 1.3 BUDGET MEASURES

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

Table 1.2: ASIS 2009-10 Budget measures

Table 1.2. ASIS 2009-10 Dudget Ille						
	Program	2008-09	2009-10	2010-11	2011-12	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Expense measures						
Enhancing regional counter-terrorism						
effectiveness*						
Departmental appropriation	1.1	_	_	-	_	_
Departmental appropriation	1.2	_	-	_	_	_
Total		-	_	-	-	-
Counter-proliferation intelligence						
enhancement*						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	-	-	-	-
Continuity of Government - continuation of						
funding*						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	-	-	-	-
Border protection - combating people						
smuggling - enhanced intelligence capability						
Departmental appropriation	1.1	-	-	-	-	-
Departmental appropriation	1.2	-	-	-	-	-
Total		-	11,862	9,482	2,786	3,165
Total expense measures						
Departmental		-	11,862	9,482	2,786	3,165
Total		-	11,862	9,482	2,786	3,165
Capital measures						
Enhancing regional counter-terrorism						
effectiveness*						
Departmental capital	1.1	-	-	-	-	-
Departmental capital	1.2	-	-	-	-	-
Total		-	-	-	-	-
Border protection - combating people						
smuggling - enhanced intelligence capability						
Departmental capital	1.1	_	_	_	_	_
Departmental capital	1.2	_	_	_	_	_
Total		_	3,213	_	_	
			5,2.0			
Total capital measures Departmental			3,213			
Total		_		_	-	_
IUIAI		-	3,213	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis

<sup>\*</sup> These measures provide for the continuation of funding already in the Forward Estimates.

# 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.

#### Figure 2: Transition table

#### 2008-09 Budget year

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

Output Group 1.1: Secret Intelligence

Output Group 1.2: Other Services

#### 2009-10 Budget year

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

Program 1.1: Secret Intelligence

Program 1.2: Other Services

## 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 on the Australian community. 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 ASIS in achieving government outcomes. Further information in relation to detailed performance measures and mandatory targets are not provided in the interests of national security.

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

#### **Outcome 1 Strategy**

Enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect and promote Australia's vital interests through the provision of unique foreign intelligence services as directed by the Government.

#### 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: 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		
	2008-09	2009-10
	Estimated	Estimated
	Actual	Expenses
	Expenses	Ø1000
Drogram 4.1: Socret Intelligence	\$'000	\$'000
Program 1.1: Secret Intelligence Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	132,090	161,923
Revenues from Independent Sources (Section 31)	24,707	25,969
Revenues from independent Sources (Section 31)	24,707	25,909
Total for Program 1.1	156,797	187,892
Program 1.2: Other Services		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	33,023	40,481
Revenues from Independent Sources (Section 31)	6,177	6,492
Total for Program 1.2	39,200	46,973
Total for Frogram 1.2	39,200	40,973
Outcome 1 Totals by Appropriation type		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	165,113	202,404
Revenues from Independent Sources (Section 31)	30,884	32,461
	10=0==	00105
Total Expenses for Outcome 1	195,997	234,865

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

#### **Contributions to Outcome 1**

#### **Program 1.1: Secret Intelligence**

#### **Program Objective**

Secret Intelligence

#### **Program Expenses**

All variations to Program 1.1 are a result of measures and other adjustments as provided by the Government.

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Departmental Expenses	156,797	187,892	184,846	180,253	184,801
Total Departmental Expenses	156,797	187,892	184,846	180,253	184,801

#### **Program 1.1 Deliverables**

Secret Intelligence

#### **Program 1.1 Key Performance Indicators**

The overall achievement of the performance measures for this program 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 the Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.

#### **Program 1.2: Other Services**

#### **Program Objective**

· Other Services

#### **Program Expenses**

All variations to Program 1.2 are a result of measures and other adjustments as provided by the Government.

Total Departmental Expenses	39,200	46,973	46,211	45,063	46,200
Annual Departmental Expenses	39,200	46,973	46,211	45,063	46,200
	\$'000	\$'000	\$'000	\$'000	\$'000
	2008-09	2009-10	2010-11	2011-12	2012-13
	actual	estimate	estimate	estimate	estimate
	Estimated	Budget	Forward	Forward	Forward

#### **Program 1.2 Deliverables**

Other Services

#### **Program 1.2 Key Performance Indicators**

The overall achievement of the performance measures for this program 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 the Government. The assessment of performance includes both qualitative and quantitative analysis. Details of this process are not divulged in the interests of national security.

# Section 3: Explanatory tables and budgeted financial statements

Section 3 presents 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 movements in administered funds, special accounts and government indigenous expenditure.

#### 3.1 EXPLANATORY TABLES

#### 3.1.1 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 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by ASIS.

Table 3.1.1: Estimates of Special Account flows and balances

		Opening				Closing
		balance	Receipts	Payments	Adjustments	balance
		2009-10	2009-10	2009-10	2009-10	2009-10
		2008-09	2008-09	2008-09	2008-09	2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys Special						
Account (D)	1	-	-	-	-	-
s20FMA Act						
Services for Other Governments & Non-Agency Bodies Account						
(D)	1	-	-	-	-	-
s20FMA Act						
Total special accounts						
2009-10 Budget estimate	=	-	-	-	-	-
Total special accounts						
2008-09 estimate actual	1	-	-	-	-	-

<sup>(</sup>A) = Administered

The purpose of the Other Trust Moneys Special Account is for expenditure of moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth.

<sup>(</sup>D) = Departmental

#### ASIS Budget Statements

The purpose of the Services for Other Government & Non Agency Bodies Special Account is for expenditure in connection with services performed on behalf of other Governments and bodies that are not Agencies under the *Financial Management and Accountability Act* 1997.

It is anticipated that there will not be any transactions through either of the ASIS Special Accounts during 2009-10 and future out-years. These accounts remain in place in the event that transactions are required.

#### 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 is mainly due to measures as provided by the Government. 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 tables

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

	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Total expenses	195,997	234,865	231,057	225,317	231,001
LESS:					
OWN-SOURCE INCOME					
Revenue					
Other revenue	30,684	32,261	27,771	27,781	27,792
Total revenue	30,684	32,261	27,771	27,781	27,792
Gains					
Sale of assets	200	200	200	200	200
Total gains	200	200	200	200	200
Total own-source income	30,884	32,461	27,971	27,981	27,992
Net cost of (contribution by) services	165,113	202,404	203,086	197,336	203,009
(		_==,		,	
Appropriation revenue	165,113	202,404	203,086	197,336	203,009
Surplus (Deficit)	-	-	-	-	

Prepared on Australian Accounting Standards basis.

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

( · · · · · · · · · · · · · · · · · · ·					
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Total financial assets	70,319	73,071	73,883	73,883	73,883
Non-financial assets					
Total non-financial assets	110,260	123,074	123,142	123,211	123,280
Total assets	180,579	196,145	197,025	197,094	197,163
LIADULTIC					
LIABILITIES					
Interest bearing liabilities					-
Total interest bearing liabilities		-	_	-	-
Provisions					
Total provisions	15,384	15,523	15,469	15,469	15,469
i cui pi circici	-,	-,-	-,	-,	
Payables					
Total payables	24,291	26,902	27,767	27,767	27,767
Total liabilities	39,675	42,425	43,236	43,236	43,236
Net assets	140,904	153,720	153,789	153,858	153,927
EQUITY*					
Parent entity interest					
Contributed equity	67,105	79,921	79,990	80,059	80,128
Reserves	38,686	38,686	38,686	38,686	38,686
Retained surpluses or					
accumulated deficits	35,113	35,113	35,113	35,113	35,113
Total parent entity interest	140,904	153,720	153,789	153,858	153,927
Total equity	140,904	153,720	153,789	153,858	153,927
Commont or rate	20,600	22 244	22.404	22 500	22 517
Current assets	30,698	33,344	33,494	33,506	33,517
Non-current assets	149,881	162,801	163,531	163,588	163,646
Current liabilities	29,756	31,819	32,427	32,427	32,427
Non-current liabilities	9,919	10,606	10,809	10,809	10,809

<sup>\* &#</sup>x27;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 (as at 30 June)

(as at so surie)					
	Estimated	Budget	Forward	Forward	Forward
	actual	estimate	estimate	estimate	estimate
	2008-09	2009-10	2010-11	2011-12	2012-13
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	165,113	202,404	203,086	197,336	203,009
Other	36,150	37,968	32,381	32,505	32,505
Total cash received	201,263	240,372	235,466	229,840	235,514
Cash used					
Total cash used	182,868	228,484	216,631	210,702	217,082
Net cash from or (used by)					
operating activities	18,395	11,888	18,836	19,139	18,432
INVESTING ACTIVITIES					
Cash received	200	200	200	200	200
Total cash received	200	200	200	200	200
Cash used	37,322	33,057	20,353	19,711	19,015
Total cash used	37,322	33,057	20,353	19,711	19,015
Net cash from or (used by)		,	.,		-,
investing activities	(37,122)	(32,857)	(20,153)	(19,511)	(18,815)
FINANCING ACTIVITIES		, , ,	, , ,	, , ,	( , ,
Cash received					
Appropriations - contributed equity	20,939	12,816	69	69	69
Total cash received	20,939	12,816	69	69	69
Cash used		_	_	_	-
Total cash used	-	-	-	-	-
Net cash from or (used by)					
financing activities	20,939	12,816	69	69	69
Net increase or (decrease)		·			
in cash held	2,212	(8,153)	(1,248)	(303)	(314)
Cash at the beginning of		• • •		•	<u> </u>
the reporting period	17,296	19,508	11,355	10,107	9,803
Effect of exchange rate movements	-	-	-	-	-
on cash at the beginning of					
reporting period					
Cash at the end of the					
reporting period	19,508	11,355	10,107	9,803	9,489

Prepared on Australian Accounting Standards basis.

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

	Dotoinad	Accet	Othor	Contributed	Tota
	Retained	Asset		Contributed	
	earnings	revaluation	reserves	equity/	equity
		reserve		capital	
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2009					
Balance carried forward from previous period	35,113	-	38,686	67,105	140,904
Adjusted opening balance	35,113	-	38,686	67,105	140,904
Income and Expenses					
Total income and expenses					
recognised directly in equity	-	-	-	-	-
Transactions with owners					
Contribution by owners					
Appropriation (equity injection)				12,816	12,816
Sub-total transactions with owners	-	-	-	12,816	12,816
Estimated closing balance					
as at 30 June 2010	35,113	-	38,686	79,921	153,720

Prepared on Australian Accounting Standards basis.

#### 3.2.4 Notes to the financial statements

#### **Departmental Financial Statements**

Under the Australian Government's accrual budgeting framework, and consistent with Australian Accounting Standards, ASIS controls all the agency's transactions. ASIS is fully accountable for assets, liabilities, revenues and expenses in relation to the agency. ASIS has no administered transactions.

# **PORTFOLIO GLOSSARY**

Term	Meaning
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.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered	Revenues, expenses, 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.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
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).
Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency in providing its 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.

Dommoriation	Amountianment of an accepta acceptal acceptance as an acceptance
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	Measure the joint or independent contribution of programs to the achievement of their specified outcome.
Efficiency indicators	Measure the adequacy of an agency's management of its programs. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one program should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of 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 an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Operating result	Equals revenue less expense.
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.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of programs.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
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 the user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of a program; 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, subsection 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 (section 20 FMA Act) or through an Act of Parliament (referred to in section 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.