

**PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS 2009-10**

FOREIGN AFFAIRS AND TRADE PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2009-10

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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 Additional Estimates Statements in support of the 2009-10 Additional Estimates for the Foreign Affairs and Trade portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the portfolio.

We present these statements by virtue of our ministerial responsibility for 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**

(a) The following notations may be used:

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| nfp     | not for publication                         |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

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

**ENQUIRIES**

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

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

**USER GUIDE**  
**TO THE**  
**PORTFOLIO ADDITIONAL**  
**ESTIMATE STATEMENTS**

## USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to Government outcomes by agencies within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Agency Resource Statement to inform Parliament of the revised estimate of the total resources available to an agency, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2009-10. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2009-10* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

### User guide

Provides a brief introduction explaining the purpose of the PAES.

### Portfolio overview

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

### Agency additional estimates statements

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

#### Section 1: Agency overview and resources

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

#### Section 2: Revisions to outcomes and planned performance

This section details **changes** to Government outcomes and/or **changes** to the planned performance of agency programs.

#### Section 3: Explanatory tables and budgeted financial statements

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

#### Glossary

Explains key terms relevant to the Portfolio.

#### Index (Optional)

Alphabetical guide to the Statements





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# PORTFOLIO OVERVIEW



# PORTFOLIO OVERVIEW

A full outline of the Foreign Affairs and Trade Portfolio Overview can be found in the *2009-10 Portfolio Budget Statements*.

The Minister for Foreign Affairs and the Minister for Trade remain the two portfolio Ministers and there have been no changes in the responsibilities of the Parliamentary Secretaries for Trade and International Development Assistance since the *2009-10 Portfolio Budget Statements*. The Parliamentary Secretary for Pacific Island Affairs announced his retirement on 31 October 2009.

The Foreign Affairs and Trade portfolio responsibilities have not changed since the enactment of the Administrative Arrangements Orders of 25 January 2008.

The Government has decided to transfer responsibility for international promotion of Australian education from the Department of Education, Employment and Workplace Relations to the Australian Trade Commission from 1 July 2010, however this is yet to be reflected in the Administrative Arrangements Orders.

## ADDITIONAL ESTIMATES AND VARIATIONS - PORTFOLIO LEVEL

The portfolio is seeking a net increase of **\$37.194 million** in resourcing for 2009-10 as listed below. This includes Bill No. 3 and Bill No. 4 appropriations (Departmental and Administered). Further details are provided in each agency's Additional Estimates statements.

### Department of Foreign Affairs and Trade (DFAT) \$33.647 million

#### Departmental Items

- **\$15.722m** to upgrade the Australian Consulates-General in Chennai and Mumbai;
- **(\$6.712m)** to reduce costs within the Department of Foreign Affairs and Trade;
- **\$19.900m** in adjustments for foreign exchange movements;
- **\$8.381m** in adjustments for overseas inflation;
- **\$1.473m** in adjustments for 2008-09 VAT refunds; and
- **(\$5.116m)** in adjustments to passport funding due to the lower than expected number of passports issued in 2008-09.

Up to **\$1.500 million** from within existing resources will be made available to support recovery efforts in L'Aquila, Italy, following the April 2009 earthquake.

DFAT's Overseas Property Office will also deliver savings of **\$0.986 million** in 2009-10. This will be returned to Government by way of a dividend from the Overseas Property Special Account so is not reflected in the Appropriation Bills.

## *Portfolio Overview*

### **Australian Trade Commission (Austrade) (\$5.444 million)**

#### Departmental Items

- **\$3.203m** to match resources to opportunities and growth in India;
- **\$4.526m** to build Brand Australia to develop a new international brand promoting Australia as a nation producing quality products and services across a diverse field of activities;
- **(\$1.858m)** to reduce costs by rationalising Austrade's onshore office network to better target service locations and improve online information provision; and
- **(\$11.314m)** in adjustments for overseas inflation and foreign exchange movements.

### **Australian Agency for International Development (AusAID) \$8.741 million**

#### Departmental Items

- **\$8.991m** to establish an Office of Deployable Civilian Capacity.

#### Administered Items

- **(\$0.250m)** to the Australian Centre for International Agricultural Research for the Overseas Development Assistance – Food Security Through Rural Development initiative.

### **Australian Centre for International Agricultural Research (ACIAR) \$0.250 million**

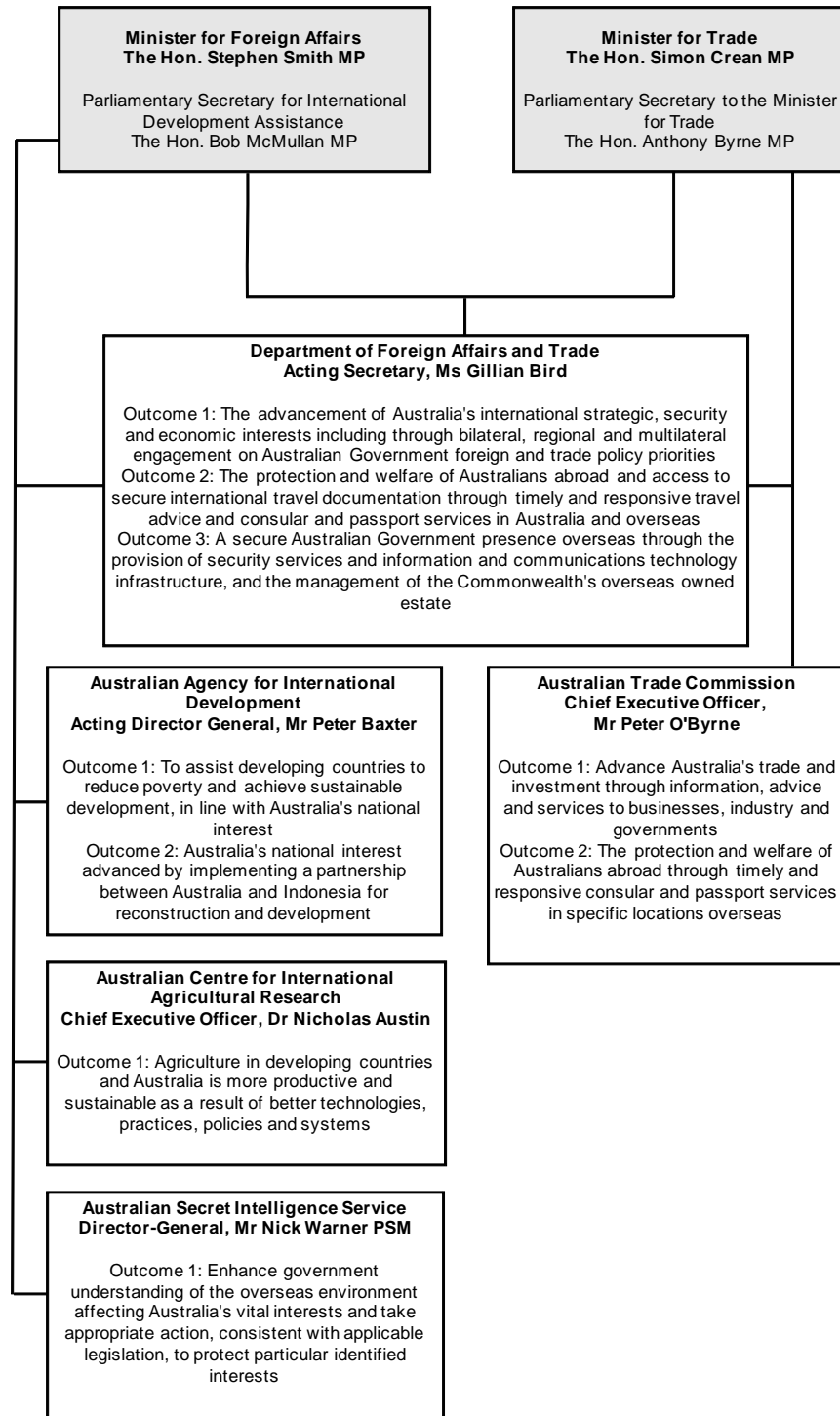
#### Administered Items

- **\$0.250m** for the Overseas Development Assistance – Food Security Through Rural Development initiative.

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

There are no additional measures or variations for ASIS.

**Figure 1: Foreign Affairs and Trade portfolio structure and outcomes**



## 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**

|   | Appropriation        |                      | Movements         |                    | Total          |
|---|----------------------|----------------------|-------------------|--------------------|----------------|
|   | Bill No. 3<br>\$'000 | Bill No. 4<br>\$'000 | Special<br>\$'000 | Receipts<br>\$'000 | \$'000         |
| <b>Department of Foreign Affairs and Trade</b>                  |                      |                      |                   |                    |                |
| Administered appropriations                                     | -                    | -                    | -                 | -                  | -              |
| Departmental appropriations                                     | 25,493               | 8,154                | -                 | -                  | 33,647         |
| <b>Total:</b>   |                      |                      |                   |                    | <b>33,647</b>  |
| <b>Australian Trade Commission</b>                              |                      |                      |                   |                    |                |
| Administered appropriations                                     | -                    | -                    | -                 | -                  | -              |
| Departmental appropriations                                     | (5,413)              | (31)                 |                   |                    | (5,444)        |
| <b>Total:</b>   |                      |                      |                   |                    | <b>(5,444)</b> |
| <b>Australian Agency for International Development</b>          |                      |                      |                   |                    |                |
| Administered appropriations                                     | (250)                | -                    | -                 | -                  | (250)          |
| Departmental appropriations                                     | 7,771                | 1,220                | -                 | -                  | 8,991          |
| <b>Total:</b>   |                      |                      |                   |                    | <b>8,741</b>   |
| <b>Australian Centre of International Agricultural Research</b> |                      |                      |                   |                    |                |
| Administered appropriations                                     | 250                  | -                    | -                 | -                  | 250            |
| Departmental appropriations                                     | -                    | -                    | -                 | -                  | -              |
| <b>Total:</b>   |                      |                      |                   |                    | <b>250</b>     |
| <b>Portfolio total</b>  |                      |                      |                   |                    | <b>37,194</b>  |
| <b>Additional resources available within portfolio:</b>         |                      |                      |                   |                    | <b>37,194</b>  |



# **AGENCY ADDITIONAL ESTIMATES STATEMENTS**

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# DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

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# DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

To continue to progress the foreign and trade policy priorities outlined in the *2009-10 Portfolio Budget Statements*, the Government has agreed to fund further foreign and trade policy initiatives, which will be delivered by the Department.

Reflecting the increasing importance of Australia's economic relationship with India, the Government will fund the upgrade of Australian Consulates-General in Chennai and Mumbai. This upgrade will significantly enhance the Government's capacity to advocate foreign policy and economic interests in India's economically dynamic South and West.

In the interests of international cooperation and assistance, the Government has agreed to support recovery efforts in L'Aquila, Italy following the April 2009 earthquake. The Australian Government will match the Italian-Australian community's own fundraising efforts dollar-for-dollar up to \$1.5 million. The cost for this measure will be met from within the Department's existing resources.

The Government has also agreed that the Department will implement a range of measures to deliver savings: rationalising the provision of diplomatic services, changing accommodation arrangements overseas, and reducing operating costs of the Overseas Property Office.

A full outline of DFAT's Strategic Direction can be found in the *2009-10 Portfolio Budget Statements*.

### 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of Foreign Affairs and Trade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2009-10 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: DFAT resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009**

|  | Estimate as<br>at Budget <sup>+</sup> | Proposed<br>Additional <sup>=</sup><br>Estimates | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|--|---------------------------------------|--|---|-------------------------------------|
|  | 2009-10<br>\$'000                     | 2009-10<br>\$'000                                | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Ordinary annual services<sup>1</sup></b>            |                                       |  |   |                                     |
| <b>Departmental appropriation</b>                      |                                       |  |   |                                     |
| Prior year departmental appropriation                  | 271,241                               | -  | 271,241   | 234,916                             |
| Departmental appropriation                             | 928,154                               | 25,493   | 953,647   | 839,311                             |
| Section 31 Relevant agency receipts <sup>3</sup>       | 48,859                                | -  | 48,859  | 72,216                              |
| Other  |                                       |  |   | 95,117                              |
| <b>Total</b>   | <b>1,248,254</b>                      | <b>25,493</b>                                    | <b>1,273,747</b>                                | <b>1,241,560</b>                    |
| <b>Administered expenses</b>                           |                                       |  |   |                                     |
| Outcome 1  | 393,896                               | -  | 393,896   | 295,584                             |
| Outcome 2  | 750                                   | -  | 750   | 500                                 |
| Outcome 3  | -                                     | -  | -   | 63,838                              |
| Payments to CAC Act bodies                             | 6,000                                 | -  | 6,000   | 9,700                               |
| <b>Total</b>   | <b>400,646</b>                        | <b>-</b>   | <b>400,646</b>                                  | <b>369,622</b>                      |
| <b>Total ordinary annual services</b>                  | <b>A 1,648,900</b>                    | <b>25,493</b>                                    | <b>1,674,393</b>                                | <b>1,611,182</b>                    |
| <b>Other services<sup>2</sup></b>                      |                                       |  |   |                                     |
| <b>Departmental non-operating</b>                      |                                       |  |   |                                     |
| Prior year non-operating appropriations                | 54,013                                | -  | 54,013  | 72,503                              |
| Equity injections                                      | 58,074                                | 7,211  | 65,285  | 36,441                              |
| Previous years' outputs                                | 41,184                                | 943  | 42,127  | 10,588                              |
| <b>Total</b>   | <b>153,271</b>                        | <b>8,154</b>                                     | <b>161,425</b>                                  | <b>119,532</b>                      |
| <b>Administered non-operating</b>                      |                                       |  |   |                                     |
| Administered assets and liabilities <sup>4</sup>       | 75,000                                | -  | 75,000  | -                                   |
| <b>Total</b>   | <b>75,000</b>                         | <b>-</b>   | <b>75,000</b>                                   | <b>-</b>                            |
| <b>Total other services</b>                            | <b>B 228,271</b>                      | <b>8,154</b>                                     | <b>236,425</b>                                  | <b>119,532</b>                      |
| <b>Total available annual appropriations</b>           | <b>1,877,171</b>                      | <b>33,647</b>                                    | <b>1,910,818</b>                                | <b>1,730,714</b>                    |
| <b>Special appropriations</b>                          |                                       |  |   |                                     |
| <b>Special appropriations limited by amount</b>        |                                       |  |   |                                     |
| Special Appropriation FMA Act, 1997 s28                | 650                                   | -  | 650   | 700                                 |
| <b>Total special appropriations</b>                    | <b>C 650</b>                          | <b>-</b>   | <b>650</b>                                      | <b>700</b>                          |
| <b>Total appropriations excluding special accounts</b> | <b>1,877,821</b>                      | <b>33,647</b>                                    | <b>1,911,468</b>                                | <b>1,731,414</b>                    |

Table continued on the following page.

**Table 1.1: DFAT resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009 (continued)**

|  | Estimate as<br>at Budget * | Proposed<br>Additional =<br>Estimates | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|--|----------------------------|---------------------------------------|---|-------------------------------------|
|  | 2009-10<br>\$'000          | 2009-10<br>\$'000                     | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Special accounts</b>  |                            |                                       |   |                                     |
| Opening balance <sup>5</sup>   | 262,835                    | -                                     | 262,835   | 215,585                             |
| Appropriation receipts <sup>6</sup>  | 138,774                    | (213)                                 | 138,561   | 136,143                             |
| Appropriation receipts<br>- other agencies <sup>7</sup>  | 44,269                     | -                                     | 44,269  | 40,656                              |
| Non-appropriation receipts to<br>Special accounts  | 9,468                      | 12,992                                | 22,460  | 18,634                              |
| <b>Total special account</b>   | <b>D 455,346</b>           | <b>12,779</b>                         | <b>468,125</b>                                  | <b>411,018</b>                      |
| <b>Total resourcing</b>  |                            |                                       |   |                                     |
| A+B+C+D  | 2,333,167                  | 46,426                                | 2,379,593                                       | 2,142,432                           |
| Less appropriations drawn from<br>annual or special appropriations above<br>and credited to special accounts<br>and/or CAC Act bodies through<br>annual appropriations | (138,774)<br>(81,000)      | 213<br>-                              | (138,561)<br>(81,000)                           | (146,575)<br>(9,700)                |
| <b>Total net resourcing for DFAT</b>   | <b>2,113,393</b>           | <b>46,639</b>                         | <b>2,160,032</b>                                | <b>1,986,157</b>                    |

## Notes:

1. Appropriation Bills (No.1 & 3) 2009-10
2. Appropriation Bills (No.2 & 4) 2009-10
3. s31 Relevant agency receipts – estimate.
4. 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.
5. Actual opening balance for special accounts. For further information on special accounts, see Table 3.1.1.
6. Appropriation receipts from DFAT annual and special appropriations for 2009-10 included above.
7. Appropriation receipts from other agencies credited to DFAT's special accounts.

All figures are GST exclusive.

**Third party payments from and on behalf of other agencies**

|   | Estimate at<br>Budget  | Estimate at<br>Additional<br>Estimates |
|---|------------------------|--|
|   | 2009-10<br>\$'000      | 2009-10<br>\$'000                      |
| Receipts received from other agencies for the provision of services<br>(disclosed above within s.31 Relevant Agency receipts) | 48,859                 | 48,859                                 |
| Payments made to CAC Act bodies within the portfolio  |                        |  |
| Export Finance and Insurance Corporation  | Appropriation Acts 1&2 | 81,000                                 |
|   |                        | 81,000                                 |

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2009-10 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Agency Measures since Budget**

|  | Program               | 2009-10<br>\$'000 | 2010-11<br>\$'000 | 2011-12<br>\$'000 | 2012-13<br>\$'000 |
|--|-----------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>  |                       |                   |                   |                   |                   |
| Foreign Affairs and Trade Portfolio - efficiencies <sup>1</sup>                        | 1.1, 2.1,<br>3.1, 3.2 |                   |                   |                   |                   |
| Departmental expenses  |                       | (6,960)           | (21,908)          | (32,982)          | (25,343)          |
| <b>Total</b>   |                       | <b>(6,960)</b>    | <b>(21,908)</b>   | <b>(32,982)</b>   | <b>(25,343)</b>   |
| Italian earthquake recovery effort - Australian Government's contribution <sup>2</sup> | 1.1                   |                   |                   |                   |                   |
| Departmental expenses  |                       | -                 | -                 | -                 | -                 |
| <b>Total</b>   |                       | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| Enhancing Australia's engagement with India  | 1.1, 2.1,<br>3.1      |                   |                   |                   |                   |
| Departmental expenses  |                       | 6,547             | 9,170             | 8,937             | 9,822             |
| <b>Total</b>   |                       | <b>6,547</b>      | <b>9,170</b>      | <b>8,937</b>      | <b>9,822</b>      |
| <b>Total expense measures</b>  |                       |                   |                   |                   |                   |
| Departmental   |                       | (413)             | (12,738)          | (24,045)          | (15,521)          |
| <b>Total</b>   |                       | <b>(413)</b>      | <b>(12,738)</b>   | <b>(24,045)</b>   | <b>(15,521)</b>   |
| <b>Capital measures</b>  |                       |                   |                   |                   |                   |
| Foreign Affairs and Trade Portfolio - efficiencies                                     | 1.1, 2.1,<br>3.1      |                   |                   |                   |                   |
| Departmental capital   |                       | (738)             | 138               | (540)             | -                 |
| <b>Total</b>   |                       | <b>(738)</b>      | <b>138</b>        | <b>(540)</b>      | <b>-</b>          |
| Enhancing Australia's engagement with India  | 1.1, 2.1,<br>3.1      |                   |                   |                   |                   |
| Departmental capital   |                       | 7,948             | 9,134             | 9,028             | 42                |
| <b>Total</b>   |                       | <b>7,948</b>      | <b>9,134</b>      | <b>9,028</b>      | <b>42</b>         |
| <b>Total capital measures</b>  |                       |                   |                   |                   |                   |
| Departmental   |                       | 7,210             | 9,272             | 8,488             | 42                |
| <b>Total</b>   |                       | <b>7,210</b>      | <b>9,272</b>      | <b>8,488</b>      | <b>42</b>         |

**Notes:**

1. Included in the expense figures for the *Foreign Affairs and Trade Portfolio – efficiencies* measure are savings that will be realised by DFAT's Overseas Property Office. These savings will be returned to Budget through a dividend from the Overseas Property Special Account and are not a reduction in appropriations.
2. The measure *Italian earthquake recovery effort - Australian Government's contribution* will be funded through existing departmental resources.

Prepared on a Government Financial Statistics (fiscal) basis.



## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for DFAT at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2009-10 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2009-10 Budget**

|   | Program impacted | 2009-10 (\$'000) | 2010-11 (\$'000) | 2011-12 (\$'000) | 2012-13 (\$'000) |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>Outcome 1</b>  |                  |                  |                  |                  |                  |
| Increase in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Enhancing Australia's engagement with India                     | 1.1              | 10,743           | 12,469           | 13,166           | 9,212            |
| Decrease in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Foreign Affairs and Trade Portfolio - efficiencies <sup>1</sup> | 1.1              | (4,839)          | (15,303)         | (23,929)         | (17,124)         |
| Net impact on estimates for Outcome 1 (departmental)            |                  | <b>5,904</b>     | <b>(2,834)</b>   | <b>(10,763)</b>  | <b>(7,912)</b>   |
| <b>Outcome 2</b>  |                  |                  |                  |                  |                  |
| Increase in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Enhancing Australia's engagement with India                     | 2.1              | 1,896            | 2,200            | 2,324            | 1,625            |
| Decrease in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Foreign Affairs and Trade Portfolio - efficiencies <sup>1</sup> | 2.1              | (733)            | (2,412)          | (3,720)          | (2,504)          |
| Net impact on estimates for Outcome 2 (departmental)            |                  | <b>1,163</b>     | <b>(212)</b>     | <b>(1,396)</b>   | <b>(879)</b>     |
| <b>Outcome 3</b>  |                  |                  |                  |                  |                  |
| Increase in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Enhanced Engagement with India                                  | 3.1              | 3,083            | 5,843            | 5,380            | 1,828            |
| Decrease in estimates (departmental)                            |                  |                  |                  |                  |                  |
| Foreign Affairs and Trade Portfolio - efficiencies <sup>1</sup> | 3.1              | (1,140)          | (2,122)          | (3,968)          | (4,001)          |
| Net impact on estimates for Outcome 3 (departmental)            |                  | <b>1,943</b>     | <b>3,721</b>     | <b>1,412</b>     | <b>(2,173)</b>   |

Notes:

1. Excluded from the figures for the *Foreign Affairs and Trade Portfolio – efficiencies* measure are savings that will be realised by DFAT's Overseas Property Office. These savings will be returned to Budget through a dividend from the Overseas Property Special Account and are not a reduction in appropriations.

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

|   | Program<br>impacted | 2009-10<br>(\$'000) | 2010-11<br>(\$'000) | 2011-12<br>(\$'000) | 2012-13<br>(\$'000) |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Outcome 1</b>  |                     |                     |                     |                     |                     |
| Increase in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for overseas inflation   | 1.1                 | 2,990               | 2,935               | 2,990               | 2,881               |
| Adjustment for foreign exchange rebasing  | 1.1                 | 8,900               | 8,736               | 8,900               | 8,576               |
| Adjustment for VAT refunds 2008-09  | 1.1                 | 1,473               | -                   | -                   | -                   |
| Decrease in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for domestic inflation   | 1.1                 | -                   | (340)               | (1,722)             | (2,097)             |
| Adjustment for within year forex exchange gain  | 1.1                 | (5,268)             | -                   | -                   | -                   |
| Net impact on estimates for Outcome 1 (departmental)                                    |                     | <b>8,095</b>        | <b>11,331</b>       | <b>10,168</b>       | <b>9,360</b>        |
| <b>Outcome 2</b>  |                     |                     |                     |                     |                     |
| Increase in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for overseas inflation   | 2.1, 2.2            | 4,521               | 4,576               | 4,699               | 4,753               |
| Adjustment for foreign exchange rebasing  | 2.1, 2.2            | 13,679              | 13,841              | 14,216              | 14,378              |
| Decrease in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for domestic inflation   | 2.1, 2.2            | -                   | (184)               | (942)               | (1,207)             |
| Adjustment to passport funding due to lower than expected passport issues in 2008-09    | 2.2                 | (5,116)             | -                   | -                   | -                   |
| Adjustment to passport funding for years beyond the current Passports Funding Agreement | 2.2                 | -                   | -                   | -                   | (12,166)            |
| Net impact on estimates for Outcome 2 (departmental)                                    |                     | <b>13,084</b>       | <b>18,233</b>       | <b>17,973</b>       | <b>5,758</b>        |
| <b>Outcome 3</b>  |                     |                     |                     |                     |                     |
| Increase in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for overseas inflation   | 3.1                 | 870                 | 870                 | 815                 | 870                 |
| Adjustment for foreign exchange rebasing  | 3.1                 | 2,589               | 2,589               | 2,427               | 2,589               |
| Decrease in estimates (departmental)  |                     |                     |                     |                     |                     |
| Adjustment for domestic inflation   | 3.1                 | -                   | (100)               | (483)               | (623)               |
| Net impact on estimates for Outcome 3 (departmental)                                    |                     | <b>3,459</b>        | <b>3,359</b>        | <b>2,759</b>        | <b>2,836</b>        |

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

**Table 1.5: Appropriation Bill (No. 3) 2009-10**

|  | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|--|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>ADMINISTERED ITEMS</b>  |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>   |                                  |                               |                                |                                     |                                  |
| 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 | 305,284                          | 399,896                       | 399,896                        | -                                   |                                  |
| <b>Outcome 2</b>   |                                  |                               |                                |                                     |                                  |
| The protection and welfare of Australian abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas       | 500                              | 750                           | 750                            | -                                   |                                  |
| <b>Outcome 3</b>   |                                  |                               |                                |                                     |                                  |
| 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 owned estate        | 63,838                           | -                             | -                              | -                                   |                                  |
| <b>Total</b>   | <b>369,622</b>                   | <b>400,646</b>                | <b>400,646</b>                 | <b>-</b>                            | <b>-</b>                         |

**Note:**

2008-09 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. However, the 2008-09 appropriations use an old outcome structure that was replaced by the current structure from 2009-10. Available appropriation is the amount available to be drawn down, and is equal to: *Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other Reductions +/- Section 32*

*Table continued on the following page.*

**Table 1.5: Appropriation Bill (No. 3) 2009-10 (continued)**

|  | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|--|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>DEPARTMENTAL PROGRAMS</b>   |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>   |                                  |                               |                                |                                     |                                  |
| 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 | 533,034                          | 507,810                       | 513,849                        | 6,039                               | -                                |
| <b>Outcome 2</b>   |                                  |                               |                                |                                     |                                  |
| The protection and welfare of Australian abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas       | 245,188                          | 268,541                       | 287,041                        | 18,500                              | -                                |
| <b>Outcome 3</b>   |                                  |                               |                                |                                     |                                  |
| 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 owned estate        | 55,973                           | 151,803                       | 152,757                        | 954                                 | -                                |
| <b>Total</b>   | <b>834,195</b>                   | <b>928,154</b>                | <b>953,647</b>                 | <b>25,493</b>                       | <b>-</b>                         |
| <b>Total administered and departmental</b>   | <b>1,203,817</b>                 | <b>1,328,800</b>              | <b>1,354,293</b>               | <b>25,493</b>                       | <b>-</b>                         |

**Note:**

2008-09 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. However, the 2008-09 appropriations use an old outcome structure that was replaced by the current structure from 2009-10. Available appropriation is the amount available to be drawn down, and is equal to: *Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other Reductions +/- Section 32*

**Table 1.6: Appropriation Bill (No. 4) 2009-10**

|  | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|--|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>Non-operating</b>                             |                                  |                               |                                |                                     |                                  |
| Equity injections                                | 36,441                           | 58,074                        | 65,285                         | 7,211                               | -                                |
| Previous years' programs                         | 10,588                           | 41,184                        | 42,127                         | 943                                 | -                                |
| <b>Total non-operating</b>                       |                                  |                               |                                |                                     |                                  |
| <b>Department of Foreign Affairs &amp; Trade</b> |                                  |                               |                                |                                     |                                  |
| <b>Total</b>                                     | <b>47,029</b>                    | <b>99,258</b>                 | <b>107,412</b>                 | <b>8,154</b>                        | <b>-</b>                         |

## Section 2: Revisions to agency resources and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

#### **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***

There is no change to the Department's Outcome Strategy as expressed in the *2009-10 Portfolio Budget Statements*. Measures being funded through Additional Estimates are aimed at continuing Australia's bilateral relationships with a view to more effectively realising the Government's foreign, trade and security policy priorities.

The Government will fund the upgrade of Australian Consulates-General in Chennai and Mumbai.

The Government will contribute to recovery efforts in L'Aquila, Italy following the April 2009 earthquake.

The Government will reduce costs within the Department, including through rationalising the provision of diplomatic services and changing accommodation plans overseas.

**Table 2.1: Budgeted Expenses and Resources for Outcome 1**

| <b>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</b> | 2008-09<br>Actual<br>Expenses<br>\$'000 | 2009-10<br>Revised<br>Estimated<br>Expenses<br>\$'000 |
|--|---|---|
| <b>Program 1.1: Other Departmental</b>   |   |   |
| Departmental Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup>   | 459,925                                 | 513,849   |
| Revenues from Independent Sources (Section 31)   | 49,152                                  | 48,969  |
| Expenses not requiring Appropriation in the Budget year  | 3,546                                   | 1,727   |
| <b>Total for Program 1.1</b>   | <b>512,623</b>                          | <b>564,545</b>  |
| <b>Program 1.2: Payments to International Organisations</b>  |   |   |
| Administered Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 290,130                                 | 300,800   |
| <b>Total for Program 1.2</b>   | <b>290,130</b>                          | <b>300,800</b>  |
| <b>Program 1.3: Public Information Services and Public Diplomacy</b>   |   |   |
| Administered Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 23,545                                  | 24,083  |
| Special Accounts   | 42,841                                  | 35,917  |
| <b>Total for Program 1.3</b>   | <b>66,386</b>                           | <b>60,000</b>   |
| <b>Program 1.4: Other Administered</b>   |   |   |
| Administered Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 25,205                                  | 9,054   |
| Other services (Appropriation Bill No. 2)  | -                                       | 75,000  |
| <b>Total for Program 1.4</b>   | <b>25,205</b>                           | <b>84,054</b>   |
| <b>Outcome 1 Totals by Appropriation type</b>  |   |   |
| Administered Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 338,880                                 | 333,937   |
| Other services (Appropriation Bill No. 2)  | -                                       | 75,000  |
| Special Accounts   | 42,841                                  | 35,917  |
| Departmental Expenses  |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 459,925                                 | 513,849   |
| Revenues from Independent Sources (Section 31)   | 49,152                                  | 48,969  |
| Expenses not requiring Appropriation in the Budget year  | 3,546                                   | 1,727   |
| <b>Total Expenses for Outcome 1</b>  | <b>894,344</b>                          | <b>1,009,399</b>                                      |
| <b>Average Staffing Level (number)<sup>2</sup></b>   | <b>1,950</b>                            | <b>1,999</b>  |

## Notes:

- These expenses include a portion of an intra-entry amount of \$102.6 million (2008-09 \$100.6 million) representing rent paid by DFAT to the DFAT Overseas Property Special Account 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) and Outcome 3 – Programs 3.1 and 3.2.

**Program 1.1: Other Departmental – DFAT****Program 1.1 Objective**

There is no change to the objective for Program 1.1 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.1 Expenses**

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|-------------------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                               | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| Annual departmental expenses: |                    |                                |                                |                                |                                |
| Departmental item             | 512,623            | 564,545                        | 564,996                        | 559,037                        | 574,250                        |
| <b>Total program expenses</b> | <b>512,623</b>     | <b>564,545</b>                 | <b>564,996</b>                 | <b>559,037</b>                 | <b>574,250</b>                 |

**Program 1.1 Deliverables**

Program 1.1 deliverables are affected by Additional Estimates measures which provide for increased representation in India and savings associated with the rationalisation of diplomatic services and changed accommodation plans overseas.

**Program 1.1 Key Performance Indicators**

There is no change to the key performance indicators for Program 1.1 as expressed in the *2009-10 Portfolio Budget Statements*.

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

There is no change to the objective for Program 1.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.2 Expenses**

|   | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|---|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| <b>Program component name</b>           |                    |                                |                                |                                |                                |
| Annual administered expenses:           |                    |                                |                                |                                |                                |
| Payments to International Organisations | 290,130            | 300,800                        | 308,800                        | 308,800                        | 308,800                        |
| <b>Total program expenses</b>           | <b>290,130</b>     | <b>300,800</b>                 | <b>308,800</b>                 | <b>308,800</b>                 | <b>308,800</b>                 |

**Program 1.2 Deliverables**

There is no change to the deliverables for Program 1.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.2 Key Performance Indicators**

There is no change to the key performance indicators for Program 1.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.3: Public Information Services and Public Diplomacy**

**Program 1.3 Objective**

There is no change to the objective for Program 1.3 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.3 Expenses**

|  | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|--|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| <b>Program component name</b>  |                    |                                |                                |                                |                                |
| Annual administered expenses:  |                    |                                |                                |                                |                                |
| Administered Grants Program  | 4,722              | 4,794                          | 4,594                          | 4,594                          | 4,594                          |
| Australia Network  | 18,823             | 19,289                         | 19,354                         | -                              | -                              |
| Special Account expenses:  |                    |                                |                                |                                |                                |
| Expositions Special Account  | 42,841             | 35,917                         | 4,557                          | -                              | -                              |
| Expenses not requiring Appropriation in the<br>Budget year - Shanghai World Expo expenses<br>funded through sponsorship received | -                  | 5,950                          | 2,925                          | -                              | -                              |
| <b>Total program expenses</b>  | <b>66,386</b>      | <b>65,950</b>                  | <b>31,430</b>                  | <b>4,594</b>                   | <b>4,594</b>                   |

**Program 1.3 Deliverables**

There is no change to the deliverables for Program 1.3 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.3 Key Performance Indicators**

There is no change to the key performance indicators for Program 1.3 as expressed in the *2009-10 Portfolio Budget Statements*.



**Program 1.4: Other Administered****Program 1.4 Objective**

There is no change to the objective for Program 1.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.4 Expenses**

|  | 2008-09<br>Actuals<br>\$'000 | 2009-10<br>Revised<br>estimate<br>\$'000 | 2010-11<br>Forward<br>estimate<br>\$'000 | 2011-12<br>Forward<br>estimate<br>\$'000 | 2012-13<br>Forward<br>estimate<br>\$'000 |
|--|------------------------------|--|--|--|--|
| <b>Program component name</b>  |                              |  |  |  |  |
| Annual administered expenses:  |                              |  |  |  |  |
| Export Finance and Insurance Corporation (EFIC) - National Interest Account Expenses | 13,611                       | 6,700                                    | 7,300                                    | 7,600                                    | 7,100                                    |
| Overseas development assistance - Debt-to-Health Swap with Government of Indonesia   | -                            | 75,000                                   | -  | -  | -  |
| Hosting of the 35th Antarctic Treaty Consultative Meeting                            | -                            | 13                                       | 29                                       | 1,386                                    | -  |
| Personal Benefits - Locally Engaged Staff pension schemes                            | 4,955                        | 1,880                                    | 1,870                                    | 1,870                                    | 1,870                                    |
| Other Administered Items   | 6,639                        | 461                                      | 471                                      | 476                                      | 482                                      |
| <b>Total program expenses</b>  | <b>25,205</b>                | <b>84,054</b>                            | <b>9,670</b>                             | <b>11,332</b>                            | <b>9,452</b>                             |

**Program 1.4 Deliverables**

There is no change to the deliverables for Program 1.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 1.4 Key Performance Indicators**

There is no change to the key performance indicators for Program 1.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**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***

There is no change to DFAT's Outcome Strategy as expressed in the *2009-10 Portfolio Budget Statements*.

**Table 2.1.1 Budgeted Expenses and Resources for Outcome 2**

| <b>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</b> | 2008-09<br>Actual<br>Expenses<br>\$'000 | 2009-10<br>Revised<br>Estimated<br>Expenses<br>\$'000 |
|---|---|---|
| <b>Program 2.1: Consular Services (Departmental)</b>  |   |   |
| Departmental Expenses   |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup>  | 75,524                                  | 83,220  |
| Revenues from Independent Sources (Section 31)  | -                                       | -   |
| Expenses not requiring Appropriation in the Budget year   | 76                                      | 37  |
| <b>Total for Program 2.1</b>  | <b>75,600</b>                           | <b>83,257</b>   |
| <b>Program 2.2: Passport Services (Departmental)</b>  |   |   |
| Departmental Expenses   |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup>  | 184,974                                 | 203,821   |
| Revenues from Independent Sources (Section 31)  | -                                       | -   |
| Expenses not requiring Appropriation in the Budget year   | 181                                     | 88  |
| <b>Total for Program 2.2</b>  | <b>185,155</b>                          | <b>203,909</b>  |
| <b>Program 2.3 Consular Services (Administered)</b>   |   |   |
| Administered Expenses   |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)   | 501                                     | 750   |
| <b>Total for Program 2.3</b>  | <b>501</b>                              | <b>750</b>  |
| <b>Program 2.4 Passport Services (Administered)</b>   |   |   |
| Administered Expenses   |   |   |
| Special Appropriations  | 571                                     | 650   |
| <b>Total for Program 2.4</b>  | <b>571</b>                              | <b>650</b>  |
| <b>Outcome 2 Totals by Appropriation type</b>   |   |   |
| Administered Expenses   |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)   | 501                                     | 750   |
| Special Appropriations  | 571                                     | 650   |
| Departmental Expenses   |   |   |
| Ordinary Annual Services (Appropriation Bill No. 1)   | 260,498                                 | 287,041   |
| Revenues from Independent Sources (Section 31)  | -                                       | -   |
| Expenses not requiring Appropriation in the Budget year   | 257                                     | 125   |
| <b>Total Expenses for Outcome 2</b>   | <b>261,827</b>                          | <b>288,566</b>  |
|   | 2008-09                                 | 2009-10   |
| <b>Average Staffing Level (number)<sup>2</sup></b>  | <b>943</b>                              | <b>972</b>  |

## Notes:

- These expenses include a portion of an intra-entry amount of \$102.6 million (2008-09 \$100.6 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)

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

**Program 2.1 Objective**

There is no change to the objective for Program 2.1 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.1 Expenses**

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|-------------------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                               | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| Annual departmental expenses: |                    |                                |                                |                                |                                |
| Departmental item             | 75,600             | 83,257                         | 83,710                         | 81,269                         | 83,932                         |
| <b>Total program expenses</b> | <b>75,600</b>      | <b>83,257</b>                  | <b>83,710</b>                  | <b>81,269</b>                  | <b>83,932</b>                  |

**Program 2.1 Deliverables**

Program 2.1 deliverables are affected by Additional Estimates measures which provide for increased representation in India and savings associated with the rationalisation of diplomatic services.

**Program 2.1 Key Performance Indicators**

There is no change to the key performance indicators for Program 2.1 as expressed in the *2009-10 Portfolio Budget Statements*.

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

**Program 2.2 Objective**

There is no change to the objective for Program 2.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.2 Expenses**

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|-------------------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                               | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| Annual departmental expenses: |                    |                                |                                |                                |                                |
| Departmental item             | 185,155            | 203,909                        | 208,364                        | 214,257                        | 219,715                        |
| <b>Total program expenses</b> | <b>185,155</b>     | <b>203,909</b>                 | <b>208,364</b>                 | <b>214,257</b>                 | <b>219,715</b>                 |

**Program 2.2 Deliverables**

There is no change to the deliverables for Program 2.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.2 Key Performance Indicators**

There is no change to the key performance indicators for Program 2.2 as expressed in the *2009-10 Portfolio Budget Statements*.

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

There is no change to the objective for Program 2.3 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.3 Expenses**

|   | 2008-09<br>Actuals<br>\$'000 | 2009-10<br>Revised<br>estimate<br>\$'000 | 2010-11<br>Forward<br>estimate<br>\$'000 | 2011-12<br>Forward<br>estimate<br>\$'000 | 2012-13<br>Forward<br>estimate<br>\$'000 |
|---|------------------------------|--|--|--|--|
| <b>Program component name</b>   |                              |  |  |  |  |
| Annual administered expenses:   |                              |  |  |  |  |
| Consular Emergency Services   | 48                           | 200                                      | 200                                      | 200                                      | 200                                      |
| Thailand - repatriation of Australian citizens<br>and permanent residents | 102                          | -  | -  | -  | -  |
| Other Administered Appropriation Items:                                   |                              |  |  |  |  |
| Travellers' Emergency Loans*  | -                            | 550                                      | 550                                      | 550                                      | 550                                      |
| Other Administered Items**  | 351                          | -  | -  | -  | -  |
| <b>Total program expenses</b>   | <b>501</b>                   | <b>750</b>                               | <b>750</b>                               | <b>750</b>                               | <b>750</b>                               |

Notes:

\* Travellers' Emergency Loans (TELs) are recorded as receivables to the Commonwealth and therefore are not disclosed as program expenses. Actual loans issued in cash for 2008-09 totalled \$0.366 million.

\*\* Other Administered items for the Consular (Services Administered) program consists exclusively of the non cash expense for Write Down and Impairment of Assets (i.e. impairment of TELs receivable).

**Program 2.3 Deliverables**

There is no change to the deliverables for Program 2.3 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.3 Key Performance Indicators**

There is no change to the key performance indicators for Program 2.3 as expressed in the *2009-10 Portfolio Budget Statements*.

*DFAT Additional Estimates Statements*

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

**Program 2.4 Objective**

There is no change to the objective for Program 2.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.4 Expenses**

|  | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|--|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| <b>Program component name</b>            |                    |                                |                                |                                |                                |
| Special appropriations:                  |                    |                                |                                |                                |                                |
| <i>Special Appropriation FMA Act s28</i> |                    |                                |                                |                                |                                |
| <i>Passport Refunds</i>                  | 571                | 650                            | 650                            | 650                            | 650                            |
| <b>Total program expenses</b>            | <b>571</b>         | <b>650</b>                     | <b>650</b>                     | <b>650</b>                     | <b>650</b>                     |

**Program 2.4 Deliverables**

There is no change to the deliverables for Program 2.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 2.4 Key Performance Indicators**

There is no change to the key performance indicators for Program 2.4 as expressed in the *2009-10 Portfolio Budget Statements*.

**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***

There is no change to DFAT's Outcome Strategy as expressed in the *2009-10 Portfolio Budget Statements*.

The operating costs of the Overseas Property Office will be reduced by 4 per cent annually from 2010-11 onwards (2 per cent in 2009-10) to achieve savings.

**Table 2.1.2 Budgeted Expenses and Resources for Outcome 3**

|  | 2008-09<br>Actual<br>Expenses | 2009-10<br>Revised<br>Estimated<br>Expenses |
|--|-------------------------------|---|
| <b>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</b> |                               |   |
|  | \$'000                        | \$'000                                      |
| <b>Program 3.1: Other Departmental (Departmental)</b>  |                               |   |
| Departmental Expenses  |                               |   |
| Ordinary Annual Services (Appropriation Bill No. 1) <sup>1</sup>   | 138,640                       | 152,757                                     |
| Revenues from Independent Sources (Section 31)   | -                             | -   |
| Expenses not requiring Appropriation in the Budget year  | 121                           | 59  |
| <b>Total for Program 3.1</b>   | <b>138,761</b>                | <b>152,816</b>                              |
| <b>Program 3.2: Overseas Property (Departmental)</b>   |                               |   |
| Departmental Expenses  |                               |   |
| Special Accounts   | 66,944                        | 72,886                                      |
| <b>Total for Program 3.2</b>   | <b>66,944</b>                 | <b>72,886</b>                               |
| <b>Outcome 3 Totals by Appropriation type</b>  |                               |   |
| Departmental Expenses  |                               |   |
| Ordinary Annual Services (Appropriation Bill No. 1)  | 138,640                       | 152,757                                     |
| Revenues from Independent Sources (Section 31)   | -                             | -   |
| Special Accounts   | 66,944                        | 72,886                                      |
| Expenses not requiring Appropriation in the Budget year  | 121                           | 59  |
| <b>Total Expenses for Outcome 2</b>  | <b>205,705</b>                | <b>225,702</b>                              |
|  | 2008-09                       | 2009-10                                     |
| <b>Average Staffing Level (number)<sup>2</sup></b>   | <b>556</b>                    | <b>588</b>                                  |

Notes:

1. These expenses include a portion of an intra-entry amount of \$102.6 million (2008-09 \$100.6 million) representing rent paid by DFAT to the DFAT Overseas Property Special Account which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).
2. ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 3 – Programs 3.1 and 3.2.



**Program 3.1: Other Departmental****Program 3.1 Objective**

There is no change to the objective for Program 3.1 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 3.1 Expenses**

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|-------------------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                               | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| Annual departmental expenses: |                    |                                |                                |                                |                                |
| Departmental item             | 138,761            | 152,816                        | 151,507                        | 142,967                        | 153,513                        |
| <b>Total program expenses</b> | <b>138,761</b>     | <b>152,816</b>                 | <b>151,507</b>                 | <b>142,967</b>                 | <b>153,513</b>                 |

**Program 3.1 Deliverables**

There is no change to the deliverables for Program 3.1 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 3.1 Key Performance Indicators**

There is no change to the key performance indicators for Program 3.1 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 3.2: Overseas Property****Program 3.2 Objective**

There is no change to the objective for Program 3.2 as expressed in the *2009-10 Portfolio Budget Statements*.

**Program 3.2 Expenses**

|  | 2008-09<br>Actuals | 2009-10<br>Revised<br>estimate | 2010-11<br>Forward<br>estimate | 2011-12<br>Forward<br>estimate | 2012-13<br>Forward<br>estimate |
|--|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | \$'000             | \$'000                         | \$'000                         | \$'000                         | \$'000                         |
| Special account expenses:  |                    |                                |                                |                                |                                |
| Overseas Property Special Account - Finance<br>Determination 2002-01 | 66,944             | 72,886                         | 70,356                         | 70,018                         | 66,314                         |
| <b>Total program expenses</b>  | <b>66,944</b>      | <b>72,886</b>                  | <b>70,356</b>                  | <b>70,018</b>                  | <b>66,314</b>                  |

**Program 3.2 Deliverables**

Savings in Overseas Property Special Account operating expenditure will be achieved largely through changes in the preventative maintenance program.

**Program 3.2 Key Performance Indicators**

There is no change to the key performance indicators for Program 3.2 as expressed in the *2009-10 Portfolio Budget Statements*.

## Section 3: Explanatory tables and budgeted financial statements

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Estimates of special account flows**

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by DFAT. The corresponding table in the *2009-10 Portfolio Budget Statements* is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

|   |         | Opening<br>balance<br><b>2009-10</b><br>2008-09 | Receipts<br><b>2009-10</b><br>2008-09 | Payments<br><b>2009-10</b><br>2008-09 | Adjustments<br><b>2009-10</b><br>2008-09 | Closing<br>balance<br><b>2009-10</b><br>2008-09 |
|---|---------|---|---------------------------------------|---------------------------------------|--|---|
|   | Outcome | \$'000  | \$'000                                | \$'000                                | \$'000                                   | \$'000  |
| Australia-China Council Special Account - FMA Act 1997 s20 (A)*       | 1       | <b>1</b><br>66                                  | -<br>21                               | <b>(1)</b><br>(86)                    | -<br>-                                   | -<br>1  |
| Australia-France Endowment Special Account - FMA Act 1997 s20 (A)*    | 1       | <b>1</b><br>5                                   | -<br>-                                | <b>(1)</b><br>(4)                     | -<br>-                                   | -<br>1  |
| Australia-India Council Special Account - FMA Act 1997 s20 (A)*       | 1       | <b>1</b><br>87                                  | -<br>3                                | <b>(1)</b><br>(89)                    | -<br>-                                   | -<br>1  |
| Australia-Indonesia Institute Special Account - FMA Act 1997 s20 (A)* | 1       | -<br>34   | -<br>456                              | -<br>(490)                            | -<br>-                                   | -<br>-  |
| Australia-Korea Foundation Special Account - FMA Act 1997 s20 (A)*    | 1       | <b>1</b><br>111                                 | -<br>13                               | <b>(1)</b><br>(123)                   | -<br>-                                   | -<br>1  |
| Consular Services Special Account - FMA Act 1997 s20 (A)              | 2       | <b>54</b><br>46                                 | <b>310</b><br>233                     | <b>(364)</b><br>(225)                 | -<br>-                                   | -<br>54   |
| Australia-Japan Foundation Special Account - FMA Act 1997 s20 (A)*    | 1       | <b>64</b><br>615                                | -<br>55                               | <b>(64)</b><br>(606)                  | -<br>-                                   | -<br>64   |
| Expositions Special Accounts - FMA Act 1997 s20 (A)                   | 1       | <b>337</b><br>53                                | <b>42,393</b><br>42,082               | <b>(42,205)</b><br>(41,798)           | -<br>-                                   | <b>525</b><br>337                               |

## Notes:

(A) = Administered

(D) = Departmental

\* The Minister for Finance and Deregulation issued a determination to abolish the special accounts relating to the Foundations, Councils and Institutes (FCIs) on 25 May 2009. Management of funding provided to DFAT under the International Relations Grants Program for allocation to the FCIs is now fully integrated into the DFAT Administered accounts and removes the need for the special accounts. The balances for the FCI special accounts are now zero.

**Table 3.1.1: Estimates of special account flows (continued)**

|   |         | Opening<br>balance<br><b>2009-10</b><br>2008-09 | Receipts<br><b>2009-10</b><br>2008-09 | Payments<br><b>2009-10</b><br>2008-09 | Adjustments<br><b>2009-10</b><br>2008-09 | Closing<br>balance<br><b>2009-10</b><br>2008-09 |
|---|---------|---|---------------------------------------|---------------------------------------|--|---|
|   | Outcome | \$'000  | \$'000                                | \$'000                                | \$'000                                   | \$'000  |
| Services for Other Governments<br>& Non-Agency Bodies Account -<br>FMA Act 1997 s20 (A)               | 1       | <b>3,481</b><br>3,379                           | <b>3</b><br>4,440                     | <b>(3,484)</b><br>(4,338)             | -<br>-                                   | -<br>3481                                       |
| Other Trust Monies Account -<br>FMA Act 1997 s20 (A)  | 1       | <b>788</b><br>214                               | <b>180</b><br>3,183                   | <b>(968)</b><br>(2,609)               | -<br>-                                   | -<br>788  |
| Administered Payments and<br>Receipts for Other Entities<br>Special Account - FMA Act 1997<br>s20 (A) | 1       | <b>4,967</b><br>5,000                           | <b>230,000</b><br>191,963             | <b>(229,967)</b><br>(191,996)         | -<br>-                                   | <b>5000</b><br>4967                             |
| Overseas Property Special<br>Account - Finance Determination<br>2002-01 (D)                           | 3       | <b>262,430</b><br>214,613                       | <b>162,897</b><br>152,802             | <b>(113,469)</b><br>(104,985)         | -<br>-                                   | <b>311,858</b><br>262,430                       |
| Services for Other Entities and<br>Trust Monies Special Account -<br>FMA Act 1997 s20 (A)             | 1       | -<br>-  | <b>3,333</b><br>-                     | <b>(3,333)</b><br>-                   | -<br>-                                   | -<br>-  |
| <b>Total special accounts<br/>2009-10 Budget estimate</b>   |         | <b>272,125</b>                                  | <b>439,116</b>                        | <b>(393,858)</b>                      | -  | <b>317,383</b>                                  |
| Total special accounts<br>2008-09 estimate actual   |         | 224,223   | 395,251                               | (347,349)                             | -  | 272,125   |

Notes:

(A) = Administered

(D) = Departmental

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

#### **Budget Departmental Income Statement**

The Department will receive additional appropriation funding of \$25.5 million (excluding equity injections and prior year adjustments) in 2009-10. This comprises additional funding of \$7.8 million for new measures, offset by a reduction of \$6.0 million in efficiency measures. It also includes an additional \$23.7 million in other adjustments, primarily relating to foreign exchange, overseas and domestic inflation.

Overall, the department is forecasting a surplus of \$81.0 million in 2009-10, all of which relates to the Overseas Property Special Account. The DFAT component of the budget position is breakeven.

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

The department will receive additional equity injections totalling \$7.2 million for funding of capital works as a result of new measures and will receive \$0.9 million for adjustments to previous years' outputs. The latter amount relates to adjustments for foreign exchange losses in 2008-09 and VAT supplementation but is offset by funding to be returned to Budget due to lower than forecast passport production levels in 2008-09.

For 2009-10, the Department's non-financial asset position is budgeted to be \$2,124.3 million at year-end. The major asset component is \$1,915.1 million for Land and Buildings which includes \$1,682.5 million managed in the Overseas Property Special Account.

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>EXPENSES</b>  |                             |  |  |  |  |
| Employee benefits  | 378,293                     | 440,966                                | 445,720                                  | 429,520                                  | 418,177                                  |
| Supplier   | 408,418                     | 440,614                                | 451,254                                  | 449,927                                  | 491,833                                  |
| Grants   | 3,040                       | 900                                    | 900                                      | 900                                      | 900                                      |
| Depreciation and amortisation                                      | 81,467                      | 87,496                                 | 103,833                                  | 109,241                                  | 111,210                                  |
| Write-down and impairment of assets                                | 2,048                       | -                                      | -  | -  | -  |
| Losses from asset sales  | 3,393                       | 976                                    | -  | -  | 188                                      |
| Finance costs  | 1,714                       | 457                                    | 400                                      | 300                                      | 300                                      |
| Other  | 83                          | 3,361                                  | 3,334                                    | 3,329                                    | 1,857                                    |
| <b>Total expenses</b>  | <b>878,456</b>              | <b>974,770</b>                         | <b>1,005,441</b>                         | <b>993,217</b>                           | <b>1,024,465</b>                         |
| <b>LESS:</b>   |                             |  |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| Sale of goods and rendering of services                            | 114,829                     | 99,496                                 | 90,261                                   | 89,918                                   | 91,690                                   |
| Fees and fines   | -                           | -                                      | -  | -  | -  |
| Other revenue  | 3,459                       | 1,521                                  | 1,911                                    | 1,780                                    | 2,033                                    |
| <b>Total revenue</b>   | <b>118,288</b>              | <b>101,017</b>                         | <b>92,172</b>                            | <b>91,698</b>                            | <b>93,723</b>                            |
| <b>Gains</b>   |                             |  |  |  |  |
| Sale of assets   | -                           | 732                                    | -  | -  | -  |
| Other Gains  | 801                         | 390                                    | 390                                      | 392                                      | 392                                      |
| <b>Total gains</b>   | <b>801</b>                  | <b>1,122</b>                           | <b>390</b>                               | <b>392</b>                               | <b>392</b>                               |
| <b>Total own-source income</b>                                     | <b>119,089</b>              | <b>102,139</b>                         | <b>92,562</b>                            | <b>92,090</b>                            | <b>94,115</b>                            |
| <b>Net cost of (contribution by) services</b>                      | <b>759,367</b>              | <b>872,631</b>                         | <b>912,879</b>                           | <b>901,127</b>                           | <b>930,350</b>                           |
| Appropriation revenue  | 871,746                     | 953,647                                | 955,477                                  | 945,706                                  | 978,371                                  |
| <b>Surplus (Deficit)</b>   | <b>112,379</b>              | <b>81,016</b>                          | <b>42,598</b>                            | <b>44,579</b>                            | <b>48,021</b>                            |
| <b>Surplus (Deficit) attributable to the Australian Government</b> | <b>112,379</b>              | <b>81,016</b>                          | <b>42,598</b>                            | <b>44,579</b>                            | <b>48,021</b>                            |

Prepared on Australian Accounting Standards basis.

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

|   | Actual           | Revised          | Forward          | Forward          | Forward          |
|---|------------------|------------------|------------------|------------------|------------------|
|   | 2008-09          | budget           | estimate         | estimate         | estimate         |
|   | \$'000           | 2009-10          | 2010-11          | 2011-12          | 2012-13          |
|   |                  | \$'000           | \$'000           | \$'000           | \$'000           |
| <b>ASSETS</b>                             |                  |                  |                  |                  |                  |
| <b>Financial assets</b>                   |                  |                  |                  |                  |                  |
| Cash and equivalents                      | 40,782           | 92,612           | 94,014           | 95,387           | 95,387           |
| Trade and other receivables               | 616,717          | 662,711          | 614,988          | 563,419          | 431,544          |
| Other                                     | 7,290            | 7,290            | 7,290            | 7,290            | 7,290            |
| <b>Total financial assets</b>             | <b>664,789</b>   | <b>762,613</b>   | <b>716,292</b>   | <b>666,096</b>   | <b>534,221</b>   |
| <b>Non-financial assets</b>               |                  |                  |                  |                  |                  |
| Land and buildings                        | 1,951,053        | 1,915,117        | 1,965,719        | 1,972,400        | 1,999,989        |
| Infrastructure, plant and equipment       | 127,755          | 160,959          | 172,438          | 195,063          | 225,697          |
| Inventories                               | 31,489           | 31,489           | 31,489           | 31,489           | 31,489           |
| Intangibles                               | 9,965            | 8,004            | 9,607            | 7,910            | 6,214            |
| Other                                     | 24,382           | 8,776            | 52,028           | 146,140          | 300,503          |
| <b>Total non-financial assets</b>         | <b>2,144,644</b> | <b>2,124,345</b> | <b>2,231,281</b> | <b>2,353,002</b> | <b>2,563,892</b> |
| <b>Total assets</b>                       | <b>2,809,433</b> | <b>2,886,958</b> | <b>2,947,573</b> | <b>3,019,098</b> | <b>3,098,113</b> |
| <b>LIABILITIES</b>                        |                  |                  |                  |                  |                  |
| <b>Interest bearing liabilities</b>       |                  |                  |                  |                  |                  |
| Leases                                    | 648              | -                | -                | -                | -                |
| <b>Total interest bearing liabilities</b> | <b>648</b>       | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Provisions</b>                         |                  |                  |                  |                  |                  |
| Employees                                 | 122,456          | 122,597          | 122,616          | 122,616          | 122,616          |
| Other                                     | 19,547           | 19,547           | 19,547           | 19,547           | 19,547           |
| <b>Total provisions</b>                   | <b>142,003</b>   | <b>142,144</b>   | <b>142,163</b>   | <b>142,163</b>   | <b>142,163</b>   |
| <b>Payables</b>                           |                  |                  |                  |                  |                  |
| Suppliers                                 | 85,973           | 76,167           | 76,157           | 76,157           | 76,157           |
| Other                                     | 11,564           | 12,106           | 12,106           | 12,106           | 12,106           |
| <b>Total payables</b>                     | <b>97,537</b>    | <b>88,273</b>    | <b>88,263</b>    | <b>88,263</b>    | <b>88,263</b>    |
| <b>Total liabilities</b>                  | <b>240,188</b>   | <b>230,417</b>   | <b>230,426</b>   | <b>230,426</b>   | <b>230,426</b>   |
| <b>Net assets</b>                         | <b>2,569,245</b> | <b>2,656,541</b> | <b>2,717,147</b> | <b>2,788,672</b> | <b>2,867,687</b> |

Prepared on Australian Accounting Standards basis.

*Table continued on the following page.*

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

|   | Actual           | Revised<br>budget | Forward<br>estimate | Forward<br>estimate | Forward<br>estimate |
|---|------------------|-------------------|---------------------|---------------------|---------------------|
|   | 2008-09          | 2009-10           | 2010-11             | 2011-12             | 2012-13             |
|   | \$'000           | \$'000            | \$'000              | \$'000              | \$'000              |
| <b>EQUITY*</b>                                |                  |                   |                     |                     |                     |
| <b>Parent entity interest</b>                 |                  |                   |                     |                     |                     |
| Contributed equity                            | 1,529,788        | 1,595,074         | 1,633,082           | 1,674,383           | 1,712,950           |
| Reserves                                      | 496,374          | 447,621           | 429,554             | 417,104             | 411,245             |
| Retained surpluses or<br>accumulated deficits | 543,083          | 613,846           | 654,511             | 697,185             | 743,492             |
| <b>Total parent entity interest</b>           | <b>2,569,245</b> | <b>2,656,541</b>  | <b>2,717,147</b>    | <b>2,788,672</b>    | <b>2,867,687</b>    |
| <b>Total equity</b>                           | <b>2,569,245</b> | <b>2,656,541</b>  | <b>2,717,147</b>    | <b>2,788,672</b>    | <b>2,867,687</b>    |
| <b>Current assets</b>                         | 696,278          | 794,102           | 747,781             | 697,585             | 565,710             |
| <b>Non-current assets</b>                     | 2,113,155        | 2,092,856         | 2,199,792           | 2,321,513           | 2,532,403           |
| <b>Current liabilities</b>                    | 209,077          | 198,764           | 198,773             | 198,773             | 198,773             |
| <b>Non-current liabilities</b>                | 31,111           | 31,653            | 31,653              | 31,653              | 31,653              |

Note:

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



**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Goods and services   | 124,214                     | 98,955                                 | 90,261                                   | 89,918                                   | 91,690                                   |
| Appropriations   | 838,557                     | 958,506                                | 934,660                                  | 930,728                                  | 973,434                                  |
| Interest   |                             |  |  |  |  |
| Dividends  |                             |  |  |  |  |
| Other  | 25,782                      | 21,293                                 | 21,293                                   | 21,143                                   | 21,396                                   |
| <b>Total cash received</b>                                 | <b>988,553</b>              | <b>1,078,754</b>                       | <b>1,046,214</b>                         | <b>1,041,789</b>                         | <b>1,086,520</b>                         |
| <b>Cash used</b>   |                             |  |  |  |  |
| Employees  | 371,332                     | 441,668                                | 446,628                                  | 430,262                                  | 418,217                                  |
| Suppliers  | 436,041                     | 424,210                                | 449,947                                  | 448,793                                  | 491,402                                  |
| Grants   | -                           | 900                                    | 900                                      | 900                                      | 900                                      |
| Borrowing costs  | -                           | 20                                     | 400                                      | 300                                      | 300                                      |
| Other  | 62,974                      | 22,744                                 | 22,696                                   | 22,692                                   | 21,408                                   |
| Income taxes paid  |                             |  |  |  |  |
| <b>Total cash used</b>                                     | <b>870,347</b>              | <b>889,542</b>                         | <b>920,571</b>                           | <b>902,947</b>                           | <b>932,227</b>                           |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>118,206</b>              | <b>189,212</b>                         | <b>125,643</b>                           | <b>138,842</b>                           | <b>154,293</b>                           |
| <b>INVESTING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Proceeds from sales of property,<br>plant and equipment    | 8,396                       | 14,223                                 | -  | -  | -  |
| <b>Total cash received</b>                                 | <b>8,396</b>                | <b>14,223</b>                          | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Cash used</b>   |                             |  |  |  |  |
| Purchase of property, plant<br>and equipment               | 134,890                     | 127,480                                | 155,789                                  | 109,993                                  | 149,268                                  |
| Other  | -                           | 29,731                                 | 73,047                                   | 133,419                                  | 178,691                                  |
| <b>Total cash used</b>                                     | <b>134,890</b>              | <b>157,211</b>                         | <b>228,836</b>                           | <b>243,412</b>                           | <b>327,959</b>                           |
| <b>Net cash from or (used by)<br/>investing activities</b> | <b>(126,494)</b>            | <b>(142,988)</b>                       | <b>(228,836)</b>                         | <b>(243,412)</b>                         | <b>(327,959)</b>                         |

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)  
(continued)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>FINANCING ACTIVITIES</b>  |                             |  |  |  |  |
| <b>Cash received</b>   |                             |  |  |  |  |
| Appropriations - contributed equity  | 44,263                      | 65,286                                 | 38,008                                   | 41,301                                   | 38,567                                   |
| Proceeds from issuing financial instruments                                    | -                           | 1                                      | -  | -  | -  |
| Other  | -                           | (49,428)                               | 68,520                                   | 66,547                                   | 136,813                                  |
| <b>Total cash received</b>   | <b>44,263</b>               | <b>15,859</b>                          | <b>106,528</b>                           | <b>107,848</b>                           | <b>175,380</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Repayments of debt   |                             |  |  |  |  |
| Dividends paid   | 24,731                      | 986                                    | 1,933                                    | 1,905                                    | 1,714                                    |
| Other  | 1,511                       | 9,267                                  |  |  |  |
| <b>Total cash used</b>   | <b>26,242</b>               | <b>10,253</b>                          | <b>1,933</b>                             | <b>1,905</b>                             | <b>1,714</b>                             |
| <b>Net cash from or (used by) financing activities</b>                         | <b>18,021</b>               | <b>5,606</b>                           | <b>104,595</b>                           | <b>105,943</b>                           | <b>173,666</b>                           |
| <b>Net increase or (decrease) in cash held</b>                                 | <b>9,733</b>                | <b>51,830</b>                          | <b>1,402</b>                             | <b>1,373</b>                             | <b>-</b>                                 |
| Cash at the beginning of the reporting period                                  | 30,712                      | 40,782                                 | 92,612                                   | 94,014                                   | 95,387                                   |
| Effect of exchange rate movements on cash at the beginning of reporting period | 337                         | -                                      | -  | -  | -  |
| <b>Cash at the end of the reporting period</b>                                 | <b>40,782</b>               | <b>92,612</b>                          | <b>94,014</b>                            | <b>95,387</b>                            | <b>95,387</b>                            |

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

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Other<br>reserves<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|-----------------------------|---|---------------------------|
| <b>Opening balance as at 1 July 2009</b>                       |                                |   |                             |   |                           |
| Balance carried forward from previous period                   | 543,083                        | 496,374                                   | -                           | 1,529,788                                   | 2,569,245                 |
| Adjustment for changes in accounting policies                  |                                |   |                             |   |                           |
| <b>Adjusted opening balance</b>                                | 543,083                        | 496,374                                   | -                           | 1,529,788                                   | 2,569,245                 |
| <b>Income and expense</b>                                      |                                |   |                             |   |                           |
| Income and expenses recognised directly in equity:             |                                |   |                             |   |                           |
| Gain/loss on revaluation of property                           | -                              | -   | -                           | 65,286                                      | 65,286                    |
|  | -                              | (48,753)                                  | -                           | -   | (48,753)                  |
| <b>Sub-total income and expense</b>                            | -                              | (48,753)                                  | -                           | 65,286                                      | 16,533                    |
| Surplus (deficit) for the period                               | 81,016                         |   |                             |   | 81,016                    |
| <b>Total income and expenses recognised directly in equity</b> | 81,016                         | (48,753)                                  | -                           | 65,286                                      | 97,549                    |
| <b>Transactions with owners</b>                                |                                |   |                             |   |                           |
| <i>Distribution to owners</i>                                  |                                |   |                             |   |                           |
| Cash transfers to the OPA                                      | (9,267)                        | -   | -                           | -   | (9,267)                   |
| Dividends  | (986)                          | -   | -                           | -   | (986)                     |
| <b>Sub-total transactions with owners</b>                      | (10,253)                       | -   | -                           | -   | (10,253)                  |
| Transfers between equity components                            |                                |   |                             |   |                           |
| <b>Estimated closing balance as at 30 June 2010</b>            | <b>613,846</b>                 | <b>447,621</b>                            | <b>-</b>                    | <b>1,595,074</b>                            | <b>2,656,541</b>          |

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement – Departmental**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>CAPITAL APPROPRIATIONS</b>                              |                             |  |  |  |  |
| Total equity injections                                    | 36,441                      | 65,285                                 | 38,008                                   | 41,363                                   | 38,567                                   |
| Previous Years' Outputs                                    | 10,588                      | 42,127                                 |  |  |  |
| <b>Total capital appropriations</b>                        | <b>47,029</b>               | <b>107,412</b>                         | <b>38,008</b>                            | <b>41,363</b>                            | <b>38,567</b>                            |
| <b>Represented by:</b>                                     |                             |  |  |  |  |
| Purchase of non-financial assets                           | 36,441                      | 65,285                                 | 38,008                                   | 41,363                                   | 38,567                                   |
| Other  | 10,588                      | 42,127                                 |  |  |  |
| <b>Total represented by</b>                                | <b>47,029</b>               | <b>107,412</b>                         | <b>38,008</b>                            | <b>41,363</b>                            | <b>38,567</b>                            |
| <b>ACQUISITION OF NON-FINANCIAL ASSETS</b>                 |                             |  |  |  |  |
| Funded by capital appropriations                           | 36,441                      | 65,285                                 | 38,008                                   | 41,363                                   | 38,567                                   |
| Funded internally from departmental resources <sup>1</sup> | 103,196                     | 84,780                                 | 147,576                                  | 88,999                                   | 141,301                                  |
| <b>TOTAL</b>   | <b>139,637</b>              | <b>150,065</b>                         | <b>185,584</b>                           | <b>130,362</b>                           | <b>179,868</b>                           |

Notes:

1. Includes the following sources of funding:
  - annual and prior year appropriations;
  - donations and contributions;
  - gifts;
  - finance leases;
  - internally developed receipts;
  - s31 relevant agency receipts; and
  - proceeds from the sale of assets.

These figures are currently subject to review under the Government's net cash framework as part of the Operation Sunlight review and may increase by approximately \$49.8 million in 2009-10.

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of Asset Movements (2009-10)**

|  | Land             | Buildings      | Other infrastructure,<br>plant and<br>equipment | Intangibles  | Total            |
|--|------------------|----------------|---|--------------|------------------|
|  | \$'000           | \$'000         | \$'000  | \$'000       | \$'000           |
| <b>As at 1 July 2009</b>   |                  |                |   |              |                  |
| Gross book value   | 1,036,126        | 953,084        | 197,346   | 37,617       | 2,224,173        |
| Accumulated depreciation/amortisation  | -                | (38,157)       | (69,591)  | (27,652)     | (135,400)        |
| <b>Opening net book balance</b>  | <b>1,036,126</b> | <b>914,927</b> | <b>127,755</b>                                  | <b>9,965</b> | <b>2,088,773</b> |
| <b>CAPITAL ASSET ADDITIONS</b>   |                  |                |   |              |                  |
| <b>Estimated expenditure on new or replacement assets</b>                        |                  |                |   |              |                  |
| By purchase or internally developed  | 21,705           | 48,206         | 74,941  | 5,212        | 150,064          |
| <b>Acquisition of entities or operations (including restructuring) sub-total</b> | <b>21,705</b>    | <b>48,206</b>  | <b>74,941</b>                                   | <b>5,212</b> | <b>150,064</b>   |
| <b>Other movements</b>   |                  |                |   |              |                  |
| Depreciation/amortisation expense  | -                | (24,111)       | (32,740)  | (7,173)      | (64,024)         |
| Disposals  | (6,042)          | (3,830)        | (4,497)   | -            | (14,369)         |
| Revaluations   | (28,371)         | (43,493)       | (4,500)   | -            | (76,364)         |
| <b>As at 30 June 2010</b>  |                  |                |   |              |                  |
| Gross book value   | 1,023,418        | 953,967        | 263,290   | 42,829       | 2,283,504        |
| Accumulated depreciation/amortisation  | -                | (62,268)       | (102,331)                                       | (34,825)     | (199,424)        |
| <b>Closing net book balance</b>  | <b>1,023,418</b> | <b>891,699</b> | <b>160,959</b>                                  | <b>8,004</b> | <b>2,084,080</b> |

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight review.

Prepared on Australian Accounting Standards basis.

### **Schedule of administered activity**

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

### **Schedule of budgeted income and expenses administered on behalf of government**

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

Administered revenues have been budgeted at \$367.8 million in 2009-10. Total revenue is estimated to increase by \$41.1 million since the *2009-10 Portfolio Budget Statements*. The estimated revenue has been affected by an increase to estimated passport revenue of \$33.4 million, and a re-phasing of estimated sponsorship funding for Australia's participation in the Shanghai World Expo (\$6.0 million in sponsorship revenue has been re-phased from 2010-11 to 2009-10). The Department also forecasts increased revenue from the Export and Finance Insurance Corporation of \$2.2 million. This comprises dividends, rating fees and premiums.

Total expenses administered on behalf of government are budgeted at \$451.7 million in 2009-10. Total estimated expenses have decreased by \$23.9 million since the *2009-10 Portfolio Budget Statements*. Foreign exchange variation since the 2009-10 Budget has led to a decrease in estimated payments to international organisations and peacekeeping operations totalling \$29.9 million (based on revised *Mid Year Economic and Fiscal Outlook* exchange rates). This reduction has been offset by re-phased expenditure on Shanghai World Expo 2010 by \$5.7 million (additional expenditure related to sponsorship requirements).

### **Schedule of budgeted assets and liabilities administered on behalf of government**

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

This statement has been revised since the publication of the *2009-10 Portfolio Budget Statements* to reflect the final actual closing balances in 2008-09, including fair value adjustments required under the Australian Accounting Standards.

### **Schedule of budgeted administered cash flows**

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

Administered cash received generally moves in line with the administered revenue, and is returned to the Consolidated Revenue Fund. Total cash received is expected to increase by \$44.7 million since the *2009-10 Portfolio Budget Statements*. This reflects the changes to estimated revenue from Shanghai World Expo sponsorship and passport revenues outlined above.

*DFAT Additional Estimates Statements*

Administered cash outflows generally move according to estimated expenses incurred on behalf of Government. The cash outflows are expected to decrease by \$22.2 million since the *2009-10 Portfolio Budget Statements*, reflecting the increased estimated payments for Shanghai World Expo 2010 and foreign exchange variations detailed above. All cash used for DFAT Administered is funded by an annual appropriation.

**Table 3.2.8: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>INCOME ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>         |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| <b>Non-taxation</b>  |                             |  |  |  |  |
| Goods and services   | 290,697                     | 333,403                                | 350,160                                  | 367,060                                  | 381,844                                  |
| Interest   | 7,518                       | 6,152                                  | 5,772                                    | 5,472                                    | 4,782                                    |
| Dividends  | 9,866                       | 16,800                                 | 11,650                                   | 10,250                                   | 12,950                                   |
| Other sources of non-taxation<br>revenues                      | 27,256                      | 11,430                                 | 8,315                                    | 4,110                                    | 3,490                                    |
| <b>Total non-taxation</b>                                      | <b>335,337</b>              | <b>367,785</b>                         | <b>375,897</b>                           | <b>386,892</b>                           | <b>403,066</b>                           |
| <b>Total revenues administered<br/>on behalf of government</b> | <b>335,337</b>              | <b>367,785</b>                         | <b>375,897</b>                           | <b>386,892</b>                           | <b>403,066</b>                           |
| <b>Gains</b>   |                             |  |  |  |  |
| Foreign exchange   | -                           | -                                      | -  | -  | -  |
| <b>Total gains administered<br/>on behalf of government</b>    | <b>-</b>                    | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total income administered<br/>on behalf of government</b>   | <b>335,337</b>              | <b>367,785</b>                         | <b>375,897</b>                           | <b>386,892</b>                           | <b>403,066</b>                           |
| <b>EXPENSES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| Grants   | 294,900                     | 305,794                                | 313,594                                  | 313,594                                  | 313,594                                  |
| Personal benefits  | -                           | 1,880                                  | 1,870                                    | 1,870                                    | 1,870                                    |
| Employees  | 6,094                       | 1,081                                  | 647                                      | -  | -  |
| Suppliers  | 74,499                      | 63,999                                 | 30,039                                   | 24,666                                   | 23,186                                   |
| Write down and impairment of assets                            | 351                         | 75,000                                 | -  | -  | -  |
| Finance costs  | 6,949                       | 3,900                                  | 4,600                                    | 4,800                                    | 4,400                                    |
| <b>Total expenses administered<br/>on behalf of government</b> | <b>382,793</b>              | <b>451,654</b>                         | <b>350,750</b>                           | <b>344,930</b>                           | <b>343,050</b>                           |

Prepared on Australian Accounting Standards basis.



**Table 3.2.9: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>            |                             |  |  |  |  |
| <b>Financial assets</b>   |                             |  |  |  |  |
| Cash and cash equivalents   | 5,233                       | 5,758                                  | 5,233                                    | 5,233                                    | 5,233                                    |
| Receivables   | 16,533                      | 16,178                                 | 18,083                                   | 18,673                                   | 20,533                                   |
| Appropriation Receivable  | -                           | 75,000                                 | 75,000                                   | 62,500                                   | 50,000                                   |
| Investments   | 376,700                     | 376,700                                | 376,700                                  | 376,700                                  | 376,700                                  |
| Other financial assets  | 1,338                       | 1,338                                  | 1,338                                    | 1,338                                    | 1,338                                    |
| <b>Total financial assets</b>                                     | <b>399,804</b>              | <b>474,974</b>                         | <b>476,354</b>                           | <b>464,444</b>                           | <b>453,804</b>                           |
| <b>Non-financial assets</b>                                       |                             |  |  |  |  |
| Other   | 3,649                       | 3,649                                  | 3,649                                    | 3,649                                    | 3,649                                    |
| <b>Total non-financial assets</b>                                 | <b>3,649</b>                | <b>3,649</b>                           | <b>3,649</b>                             | <b>3,649</b>                             | <b>3,649</b>                             |
| <b>Total assets administered<br/>on behalf of government</b>      | <b>403,453</b>              | <b>478,623</b>                         | <b>480,003</b>                           | <b>468,093</b>                           | <b>457,453</b>                           |
| <b>LIABILITIES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| <b>Interest bearing liabilities</b>                               |                             |  |  |  |  |
| Other   | 28,970                      | 24,940                                 | 25,490                                   | 20,740                                   | 16,280                                   |
| <b>Total interest bearing liabilities</b>                         | <b>28,970</b>               | <b>24,940</b>                          | <b>25,490</b>                            | <b>20,740</b>                            | <b>16,280</b>                            |
| <b>Payables</b>   |                             |  |  |  |  |
| Suppliers   | 3,961                       | 3,961                                  | 3,961                                    | 3,961                                    | 3,961                                    |
| Personal benefits payable   | 39,466                      | 39,466                                 | 39,466                                   | 39,466                                   | 39,466                                   |
| Other payables  | 29,746                      | 102,578                                | 100,678                                  | 86,578                                   | 74,078                                   |
| <b>Total payables</b>   | <b>73,173</b>               | <b>146,005</b>                         | <b>144,105</b>                           | <b>130,005</b>                           | <b>117,505</b>                           |
| <b>Total liabilities administered<br/>on behalf of government</b> | <b>102,143</b>              | <b>170,945</b>                         | <b>169,595</b>                           | <b>150,745</b>                           | <b>133,785</b>                           |

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Sales of goods and rendering<br>of services                | 290,556                     | 333,403                                | 350,160                                  | 381,844                                  | 381,841                                  |
| Interest   | 135                         | 122                                    | 122                                      | 122                                      | 122                                      |
| Dividends  | 9,866                       | 16,800                                 | 11,650                                   | 12,950                                   | 10,000                                   |
| Subsidy Receipts   | 3,083                       | -                                      | -  | -  | -  |
| Net GST received   | 3,856                       | 6,657                                  | 2,862                                    | 1,934                                    | 1,934                                    |
| Other  | 3,588                       | 10,835                                 | 5,060                                    | 2,280                                    | 2,000                                    |
| <b>Total cash received</b>                                 | <b>311,084</b>              | <b>367,817</b>                         | <b>369,854</b>                           | <b>399,130</b>                           | <b>395,897</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Borrowing costs  | 9,677                       | 3,900                                  | 4,400                                    | 4,200                                    | 3,500                                    |
| Employees  | 1,129                       | 1,081                                  | 647                                      | -  | -  |
| Grant payments   | 280,441                     | 306,344                                | 314,144                                  | 314,144                                  | 314,144                                  |
| Personal benefits  | 2,100                       | 1,880                                  | 1,870                                    | 1,870                                    | 1,870                                    |
| Suppliers  | 59,313                      | 61,199                                 | 27,339                                   | 20,486                                   | 20,493                                   |
| Net GST paid   | 4,274                       | 6,657                                  | 2,862                                    | 1,934                                    | 1,934                                    |
| Other  | 1,309                       | 3,400                                  | 2,700                                    | 2,800                                    | 2,700                                    |
| <b>Total cash used</b>                                     | <b>358,243</b>              | <b>384,461</b>                         | <b>353,962</b>                           | <b>345,434</b>                           | <b>344,641</b>                           |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>(47,159)</b>             | <b>(16,644)</b>                        | <b>15,892</b>                            | <b>53,696</b>                            | <b>51,256</b>                            |
| <b>FINANCING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Proceeds from borrowing                                    |                             |  |  |  |  |
| Cash from Official Public Account                          | 352,666                     | 371,854                                | 348,175                                  | 343,500                                  | 342,707                                  |
| Other  | -                           | -                                      | -  | -  | 12,500                                   |
| <b>Total cash received</b>                                 | <b>352,666</b>              | <b>371,854</b>                         | <b>348,175</b>                           | <b>343,500</b>                           | <b>355,207</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Cash to Official Public Account                            | 305,445                     | 354,685                                | 364,592                                  | 397,196                                  | 393,963                                  |
| Other  | -                           | -                                      | -  | -  | 12,500                                   |
| <b>Total cash used</b>                                     | <b>305,445</b>              | <b>354,685</b>                         | <b>364,592</b>                           | <b>397,196</b>                           | <b>406,463</b>                           |
| <b>Net cash from or (used by)<br/>financing activities</b> | <b>47,221</b>               | <b>17,169</b>                          | <b>(16,417)</b>                          | <b>(53,696)</b>                          | <b>(51,256)</b>                          |
| <b>Net increase or (decrease) in<br/>cash held</b>         | <b>62</b>                   | <b>525</b>                             | <b>(525)</b>                             | <b>-</b>                                 | <b>-</b>                                 |
| Cash at beginning of reporting period                      | 5,171                       | 5,233                                  | 5,758                                    | 5,233                                    | 5,233                                    |
| <b>Cash at end of reporting period</b>                     | <b>5,233</b>                | <b>5,758</b>                           | <b>5,233</b>                             | <b>5,233</b>                             | <b>5,233</b>                             |

Prepared on Australian Accounting Standards basis.

**Table 3.2.11: Schedule of Administered Capital Budget**

|  | Actual  | Revised<br>budget | Forward<br>estimate | Forward<br>estimate | Forward<br>estimate |
|--|---------|-------------------|---------------------|---------------------|---------------------|
|  | 2008-09 | 2009-10           | 2010-11             | 2011-12             | 2012-13             |
|  | \$'000  | \$'000            | \$'000              | \$'000              | \$'000              |
| <b>CAPITAL APPROPRIATIONS</b>                  |         |                   |                     |                     |                     |
| Administered assets                            | -       | 75,000            | -                   | -                   | -                   |
| <b>Total capital appropriations</b>            | -       | 75,000            | -                   | -                   | -                   |
| <b>Represented by:</b>                         |         |                   |                     |                     |                     |
| Other  | -       | 75,000            | -                   | -                   | -                   |
| <b>Total represented by</b>                    | -       | 75,000            | -                   | -                   | -                   |
| <b>ACQUISITION OF NON-FINANCIAL<br/>ASSETS</b> |         |                   |                     |                     |                     |
| Funded by capital appropriations               | -       | 75,000            | -                   | -                   | -                   |
| <b>TOTAL</b>                                   | -       | <b>75,000</b>     | -                   | -                   | -                   |

Prepared on Australian Accounting Standards basis.

## **Notes to the financial statements**

### **Departmental Financial Statements and Schedule of Administered Activity**

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

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

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

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

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

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

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

The Department has one administered investment in the Export Finance and Insurance Corporation with an estimated asset value of \$376.7 million as at 30 June 2009.

**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)

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# AUSTRALIAN TRADE COMMISSION (AUSTRADE)

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

A full outline of Austrade's strategic direction can be found in the *2009-10 Portfolio Budget Statements*. Austrade's outcomes, programs and deliverables remain unchanged. As a result of Additional Estimates, Austrade will undertake the following measures:

- The Government will provide \$20.0 million over four years to develop an international business brand to promote Australia as a global citizen and business partner. The Brand Australia initiative will help to advance Australia's image and reputation in areas such as tourism, trade, investment, innovation, diplomacy and international education.
- The Government will reduce costs by rationalising Austrade's onshore office network to better target service locations and improve online information provision, providing savings of \$17.0 million over four years.
- The Government will provide \$12.7 million over four years to accelerate Australia's exports, investment and commercial alliances with India. Austrade will establish a specialist Investment Trade Commissioner, Sports Trade Commissioner and eight new trade offices with eight locally engaged Business Development Managers.

From 1 July 2010, the Government will transfer responsibility for the international promotion of Australian education from the Department of Education, Employment and Workplace Relations to Austrade, facilitating a whole-of-government approach to the promotion of Australian education overseas. This transfer will result in an increase of funding of \$25.9 million over three years from 2010-11.

As a result of the independent *Review of the Australian Government's Use of Information and Communication Technology* - the Gershon Review - Austrade will achieve additional savings of \$3.4 million over three years above that reported at the 2009-10 Budget.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for Austrade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2009-10 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: Austrade resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009**

|  | Estimate as<br>at Budget <sup>1</sup> | Proposed<br>Additional<br>Estimates <sup>2</sup> | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|--|---------------------------------------|--|---|-------------------------------------|
|  | 2009-10<br>\$'000                     | 2009-10<br>\$'000                                | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Ordinary annual services<sup>1</sup></b>            |                                       |  |   |                                     |
| <b>Departmental appropriation</b>                      |                                       |  |   |                                     |
| Prior year Departmental appropriation                  | 25,383                                | -  | 25,383  | -                                   |
| Departmental appropriation                             | 200,521                               | (5,413)  | 195,108   | 189,588                             |
| Section 31 Relevant agency receipts <sup>3</sup>       | 26,000                                | -  | 26,000  | 28,089                              |
| <b>Total</b>   | <b>251,904</b>                        | <b>(5,413)</b>                                   | <b>246,491</b>                                  | <b>217,677</b>                      |
| <b>Administered expenses</b>                           |                                       |  |   |                                     |
| Outcome 1  | 200,400                               | -  | 200,400   | 200,183                             |
| <b>Total</b>   | <b>200,400</b>                        | <b>-</b>   | <b>200,400</b>                                  | <b>200,183</b>                      |
| <b>Total ordinary annual services</b>                  | <b>A 452,304</b>                      | <b>(5,413)</b>                                   | <b>446,891</b>                                  | <b>417,860</b>                      |
| <b>Other services<sup>2</sup></b>                      |                                       |  |   |                                     |
| <b>Departmental non-operating</b>                      |                                       |  |   |                                     |
| Equity injections                                      | 2,338                                 | 645  | 2,983   | 113                                 |
| Previous years' outputs                                | 12,523                                | (676)  | 11,847  | -                                   |
| <b>Total other services</b>                            | <b>B 14,861</b>                       | <b>(31)</b>                                      | <b>14,830</b>                                   | <b>113</b>                          |
| <b>Total available annual appropriations</b>           | <b>467,165</b>                        | <b>(5,444)</b>                                   | <b>461,721</b>                                  | <b>417,973</b>                      |
| <b>Special appropriations</b>                          |                                       |  |   |                                     |
| <b>Total special appropriations</b>                    | <b>C -</b>                            | <b>-</b>   | <b>-</b>  | <b>-</b>                            |
| <b>Total appropriations excluding special accounts</b> | <b>467,165</b>                        | <b>(5,444)</b>                                   | <b>461,721</b>                                  | <b>417,973</b>                      |
| <b>Special accounts</b>                                |                                       |  |   |                                     |
| <b>Total special account</b>                           | <b>D -</b>                            | <b>-</b>   | <b>-</b>  | <b>-</b>                            |
| <b>Total resourcing</b>                                | <b>467,165</b>                        | <b>(5,444)</b>                                   | <b>461,721</b>                                  | <b>417,973</b>                      |
| A+B+C+D  |                                       |  |   |                                     |
| <b>Total net resourcing for Austrade</b>               | <b>467,165</b>                        | <b>(5,444)</b>                                   | <b>461,721</b>                                  | <b>417,973</b>                      |

Notes:

1. Appropriation Bills (Nos.1 & 3) 2009-10
2. Appropriation Bills (Nos.2 & 4) 2009-10
3. s31 Relevant Agency receipts - estimate

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2009-10 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Agency Measures since Budget**

|   | Program | 2009-10<br>\$'000 | 2010-11<br>\$'000 | 2011-12<br>\$'000 | 2012-13<br>\$'000 |
|---|---------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>   |         |                   |                   |                   |                   |
| Matching resources to opportunities and growth in India <sup>1</sup>  | 1.1     | 2,477             | 3,034             | 3,048             | 3,472             |
| Brand Australia   | 1.1     | 4,526             | 5,448             | 5,014             | 5,012             |
| Foreign Affairs and Trade portfolio — efficiencies  | 1.1     | (1,858)           | (4,973)           | (5,017)           | (5,056)           |
| Higher Education - contribution to Australian education international investment - transfer of promotion functions <sup>2</sup> | 1.1     | -                 | 8,601             | 8,643             | 8,693             |
| <b>Total</b>  |         | <b>5,145</b>      | <b>12,110</b>     | <b>11,688</b>     | <b>12,121</b>     |
| <b>Total expense measures</b>   |         |                   |                   |                   |                   |
| Departmental  |         | 5,145             | 12,110            | 11,688            | 12,121            |
| <b>Total</b>  |         | <b>5,145</b>      | <b>12,110</b>     | <b>11,688</b>     | <b>12,121</b>     |
| <b>Capital measures</b>   |         |                   |                   |                   |                   |
| Matching resources to opportunities and growth in India   | 1.1     | 645               | -                 | -                 | -                 |
| <b>Total</b>  |         | <b>645</b>        | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| <b>Total capital measures</b>   |         |                   |                   |                   |                   |
| Departmental  |         | 645               | -                 | -                 | -                 |
| <b>Total</b>  |         | <b>645</b>        | <b>-</b>          | <b>-</b>          | <b>-</b>          |

Note:

1. Measure item *Matching resources to opportunities and growth in India* does not include an \$81,000 per annum decrease in appropriation due to a reduction in depreciation funding.
2. The lead agency for *Higher Education - contribution to Australian education international investment - transfer of promotion functions* is the Department of Education, Employment and Workplace Relations. The full measure description and package details appear in *Mid Year Economic and Fiscal Outlook* under the Education, Employment and Workplace Relations portfolio.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Austrade at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2009-10 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2009-10 Budget**

|  | Program impacted | 2009-10 (\$'000) | 2010-11 (\$'000) | 2011-12 (\$'000) | 2012-13 (\$'000) |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>Outcome 1</b>   |                  |                  |                  |                  |                  |
| Increase in estimates (departmental)   |                  |                  |                  |                  |                  |
| Matching resources to opportunities and growth in India  | 1.1              | 3,122            | 3,034            | 3,048            | 3,472            |
| Brand Australia  | 1.1              | 4,526            | 5,448            | 5,014            | 5,012            |
| Higher Education - contribution to Australian education international investment - transfer of promotion functions | 1.1              | -                | 8,601            | 8,643            | 8,693            |
| Decrease in estimates (departmental)   |                  |                  |                  |                  |                  |
| Foreign Affairs and Trade portfolio — efficiencies   | 1.1              | (1,858)          | (4,973)          | (5,017)          | (5,056)          |
| Net impact on estimates for Outcome 1 (departmental)   |                  | <b>5,790</b>     | <b>12,110</b>    | <b>11,688</b>    | <b>12,121</b>    |

Note:

1. Measure item *Matching resources to opportunities and growth in India* does not include an \$81,000 per annum decrease in appropriation due to a reduction in depreciation funding.

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

|   | Program<br>impacted | 2009-10<br>(\$'000) | 2010-11<br>(\$'000) | 2011-12<br>(\$'000) | 2012-13<br>(\$'000) |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Outcome 1</b>  |                     |                     |                     |                     |                     |
| <b>Decrease in estimates (departmental)</b>                     |                     |                     |                     |                     |                     |
| Price Deflators   | 1.1                 | (537)               | (892)               | (1,279)             | (1,502)             |
| Forex Adjustments   |                     |                     |                     |                     |                     |
| within year (2009-10)   | 1.1                 | (3,848)             |                     |                     |                     |
| between years   | 1.1                 | (5,487)             | (5,486)             | (5,486)             | (5,486)             |
| Gershon Review Phase 2  | 1.1                 | -                   | (1,074)             | (1,052)             | (1,063)             |
| <b>Net impact on estimates<br/>for Outcome 1 (departmental)</b> |                     | <b>(9,872)</b>      | <b>(7,452)</b>      | <b>(7,817)</b>      | <b>(8,051)</b>      |
| <b>Outcome 2</b>  |                     |                     |                     |                     |                     |
| <b>Decrease in estimates (departmental)</b>                     |                     |                     |                     |                     |                     |
| Price Deflators   | 2.1                 | (42)                | (69)                | (99)                | (117)               |
| Forex Adjustments   |                     |                     |                     |                     |                     |
| within year (2009-10)   | 2.1                 | (299)               |                     |                     |                     |
| between years   | 2.1                 | (426)               | (426)               | (426)               | (426)               |
| Gershon Review Phase 2  | 2.1                 | -                   | (83)                | (82)                | (83)                |
| <b>Net impact on estimates<br/>for Outcome 2 (departmental)</b> |                     | <b>(767)</b>        | <b>(578)</b>        | <b>(607)</b>        | <b>(626)</b>        |

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

**Table 1.5: Appropriation Bill (No. 3) 2009-10**

|   | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|---|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>ADMINISTERED ITEMS</b>   |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1 - Program 1.2</b>  |                                  |                               |                                |                                     |                                  |
| Trade development schemes -<br>Export Market Development<br>Grants (EMDG)   | 200,183                          | 200,400                       | 200,400                        | -                                   | -                                |
| <b>Total</b>  | <b>200,183</b>                   | <b>200,400</b>                | <b>200,400</b>                 | <b>-</b>                            | <b>-</b>                         |
| <b>DEPARTMENTAL PROGRAMS</b>  |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>  |                                  |                               |                                |                                     |                                  |
| Advance Australia's trade and<br>investment interests through<br>information, advice and services<br>to businesses, industry and<br>governments.          | 179,418                          | 190,809                       | 186,163                        | -                                   | (4,646)                          |
| <b>Outcome 2</b>  |                                  |                               |                                |                                     |                                  |
| The protection and welfare of<br>Australians abroad through timely<br>and responsive consular and<br>passport services in specific<br>locations overseas. | 10,170                           | 9,712                         | 8,945                          | -                                   | (767)                            |
| <b>Total</b>  | <b>189,588</b>                   | <b>200,521</b>                | <b>195,108</b>                 | <b>-</b>                            | <b>(5,413)</b>                   |
| <b>Total administered and<br/>departmental</b>  | <b>389,771</b>                   | <b>400,921</b>                | <b>395,508</b>                 | <b>-</b>                            | <b>(5,413)</b>                   |

**Table 1.6: Appropriation Bill (No. 4) 2009-10**

|                            | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|----------------------------|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>Non-operating</b>       |                                  |                               |                                |                                     |                                  |
| Equity injections          | 2,338                            | 700                           | 1,345                          | 645                                 | -                                |
| Previous years' programs   | -                                | 12,523                        | 11,847                         | -                                   | (676)                            |
| <b>Total non-operating</b> |                                  |                               |                                |                                     |                                  |
| Austrade                   |                                  |                               |                                |                                     |                                  |
| <b>Total</b>               | <b>2,338</b>                     | <b>13,223</b>                 | <b>13,192</b>                  | <b>645</b>                          | <b>(676)</b>                     |

## Section 2: Revisions to agency resources and planned performance

### **2.1 RESOURCES AND PERFORMANCE INFORMATION**

The outcomes and program framework for Austrade remains unchanged to that reported in the *2009-10 Portfolio Budget Statements*. However, an overall decrease to resources since the 2009-10 Budget has changed the price of programs.

#### **OUTCOME 1: ADVANCE AUSTRALIA'S TRADE AND INVESTMENT INTERESTS THROUGH INFORMATION, ADVICE AND SERVICES TO BUSINESSES, INDUSTRY AND GOVERNMENTS**

##### ***Outcome 1 Strategy***

There is an overall decrease in Departmental resources of \$4.6 million for Outcome 1 – Program 1.1. The reduction is due to foreign exchange rate variations (\$9.3 million), savings measures (\$1.9 million) and price deflators (\$0.5 million) offset by an increase from new measures (\$7.1 million).

Other than the changes to the price of Program 1.1, the performance information for Austrade remains unchanged to that reported in the *2009-10 Portfolio Budget Statements*.

**Table 2.1 Budgeted Expenses and Resources for Outcome 1**

|   |   |   |
|---|---|---|
| <b>Outcome 1: Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments</b> | 2008-09<br>Actual<br>expenses<br>\$'000 | 2009-10<br>Revised<br>estimated<br>expenses<br>\$'000 |
| <b>Program 1.1: Trade and investment development</b>  |   |   |
| Departmental expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 179,418                                 | 186,163   |
| Revenues from independent sources (section 31)  | 25,299                                  | 23,650  |
| <b>Total for Program 1.1</b>  | <b>204,717</b>                          | <b>209,813</b>  |
| <b>Program 1.2: Trade development schemes (EMDG)</b>  |   |   |
| Administered expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 200,183                                 | 200,400   |
| <b>Total for Program 1.2</b>  | <b>200,183</b>                          | <b>200,400</b>  |
| <b>Outcome 1 Totals by appropriation type</b>   |   |   |
| Administered Expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 200,183                                 | 200,400   |
| Departmental expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 179,418                                 | 186,163   |
| Revenues from independent sources (section 31)  | 25,299                                  | 23,650  |
| <b>Total expenses for Outcome 1</b>   | <b>404,900</b>                          | <b>410,213</b>  |
| <b>Average Staffing Level (number)</b>  | <b>951</b>                              | <b>952</b>  |

**Program Expenses 1.1**

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>budget | 2010-11<br>Forward<br>year 1 | 2011-12<br>Forward<br>year 2 | 2012-13<br>Forward<br>year 3 |
|-------------------------------|--------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| ('000)                        |                    |                              |                              |                              |                              |
| Annual departmental expenses: |                    |                              |                              |                              |                              |
| Departmental item             | 205,793            | 209,813                      | 220,447                      | 221,594                      | 217,330                      |
| <b>Total program expenses</b> | <b>205,793</b>     | <b>209,813</b>               | <b>220,447</b>               | <b>221,594</b>               | <b>217,330</b>               |



## OUTCOME 2: THE PROTECTION AND WELFARE OF AUSTRALIANS ABROAD THROUGH TIMELY AND RESPONSIVE CONSULAR AND PASSPORT SERVICES IN SPECIFIC LOCATIONS OVERSEAS

### Outcome 2 Strategy

There is an overall decrease in Departmental resources of \$0.8 million for Outcome 2 – Program 2.1. The reduction is due to foreign exchange rate variations (\$0.7 million), and price deflators (\$0.1 million).

Other than the changes to the price of Program 2.1, the performance information for Austrade remains unchanged to that reported in the *2009-10 Portfolio Budget Statements*.

**Table 2.1 Budgeted Expenses and Resources for Outcome 2**

| <b>Outcome 2: The protection and welfare of Australians<br/>abroad through timely and responsive consular and<br/>passport services in specific locations overseas</b> | 2008-09<br>Actual<br>expenses<br>\$'000 | 2009-10<br>Revised<br>estimated<br>expenses<br>\$'000 |
|--|---|---|
| <b>Program 2.1: Consular and passport services</b>   |   |   |
| Departmental expenses  |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | 10,360                                  | 8,945   |
| Revenues from independent sources (section 31)   | 2,791                                   | 2,350   |
| <b>Total for Program 2.1</b>   | <b>13,151</b>                           | <b>11,295</b>   |
| <b>Outcome 2 Totals by appropriation type</b>  |   |   |
| Departmental expenses  |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | 10,360                                  | 8,945   |
| Revenues from independent sources (section 31)   | 2,791                                   | 2,350   |
| <b>Total expenses for Outcome 2</b>  | <b>13,151</b>                           | <b>11,295</b>   |
| <b>Average Staffing Level (number)</b>   | <b>50</b>                               | <b>49</b>   |

### Program Expenses 2.1

|                               | 2008-09<br>Actuals | 2009-10<br>Revised<br>budget | 2010-11<br>Forward<br>year 1 | 2011-12<br>Forward<br>year 2 | 2012-13<br>Forward<br>year 3 |
|-------------------------------|--------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| ('000)                        |                    |                              |                              |                              |                              |
| Annual departmental expenses: |                    |                              |                              |                              |                              |
| Departmental item             | 13,151             | 11,295                       | 11,528                       | 11,587                       | 11,647                       |
| <b>Total program expenses</b> | <b>13,151</b>      | <b>11,295</b>                | <b>11,528</b>                | <b>11,587</b>                | <b>11,647</b>                |

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.2 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by Austrade. The corresponding table in the 2009-10 *Portfolio Budget Statements* is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

|  | Outcome | Opening<br>balance | Receipts | Payments | Adjustments | Closing<br>balance |
|--|---------|--------------------|----------|----------|-------------|--------------------|
|  |         | 2009-10            | 2009-10  | 2009-10  | 2009-10     | 2009-10            |
|  |         | 2008-09            | 2008-09  | 2008-09  | 2008-09     | 2008-09            |
|  |         | \$'000             | \$'000   | \$'000   | \$'000      | \$'000             |
| Admin Payments and Receipts for Other Entities Special Account 1 (A) | 2       | 100                | 9,000    | (9,000)  | -           | 100                |
|  |         | 100                | 9,225    | (9,225)  | -           | 100                |
| Other Trust Monies Special Account 2 (D)                             | 1       | 89                 | 2,600    | (2,600)  | -           | 89                 |
|  |         | 54                 | 785      | (750)    | -           | 89                 |
| <b>Total special accounts</b>  |         |                    |          |          |             |                    |
| <b>2009-10 Budget estimate</b>                                       |         | 189                | 11,600   | (11,600) | -           | 189                |
| Total special accounts   |         |                    |          |          |             |                    |
| 2008-09 actual   |         | 154                | 10,010   | (9,975)  | -           | 189                |

Notes:

(A) = Administered

(D) = Departmental

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

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

### **3.2.2 Budgeted financial statements**

#### **Departmental financial statements**

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

#### **Budgeted departmental comprehensive income statement**

This statement provides 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 \$221.1 million, a decrease of \$5.4 million from Budget. The reduction is due to foreign exchange rate variations (\$10.1 million), savings measures (\$1.9 million) and price deflators (\$0.6 million) offset by an increase from new measures (\$7.1 million).

Total expenses for 2009-10 have also decreased by \$5.4 million to reflect the reduction in revenue.

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

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

Austrade's budgeted net asset position of \$55.1 million at 30 June 2010 represents an increase of \$3.9 million from Budget due to the flow on effect of 2008-09 actual results and new measures.

#### **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 30 June 2010 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.

#### *Austrade Additional Estimates Statements*

Total equity at 30 June 2010 is estimated to be \$55.1 million, an increase of \$3.9 million from Budget. This is primarily due to the flow on effect of 2008-09 actual results and new measures.

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

This statement shows the 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 \$23.0 million in infrastructure, plant and equipment, and intangibles.

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>EXPENSES</b>  |                             |  |  |  |  |
| Employee benefits  | 112,474                     | 111,463                                | 116,075                                  | 116,034                                  | 113,377                                  |
| Supplier   | 87,677                      | 91,290                                 | 98,382                                   | 99,495                                   | 97,891                                   |
| Grants   | 135                         |  |  |  |  |
| Depreciation and amortisation                                      | 17,436                      | 17,955                                 | 17,118                                   | 17,252                                   | 17,309                                   |
| Write-down and impairment of assets                                | 63                          | 200                                    | 200                                      | 200                                      | 200                                      |
| Losses from asset sales  | -                           | 200                                    | 200                                      | 200                                      | 200                                      |
| Foreign Exchange Losses  | 1,158                       | -                                      | -  | -  | -  |
| <b>Total expenses</b>  | <b>218,943</b>              | <b>221,108</b>                         | <b>231,975</b>                           | <b>233,181</b>                           | <b>228,977</b>                           |
| <b>LESS:</b>   |                             |  |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| Sale of goods and rendering of services                            | 25,290                      | 23,750                                 | 23,750                                   | 23,750                                   | 23,750                                   |
| Rental Income  | 621                         | 500                                    | 500                                      | 500                                      | 500                                      |
| Other revenue  | 1,992                       | 1,500                                  | 1,500                                    | 1,500                                    | 1,500                                    |
| <b>Total revenue</b>   | <b>27,903</b>               | <b>25,750</b>                          | <b>25,750</b>                            | <b>25,750</b>                            | <b>25,750</b>                            |
| <b>Gains</b>   |                             |  |  |  |  |
| Sale of assets   | 26                          | 250                                    | 250                                      | 250                                      | 250                                      |
| Other gains  | 160                         | -                                      | -  | -  | -  |
| <b>Total gains</b>   | <b>186</b>                  | <b>250</b>                             | <b>250</b>                               | <b>250</b>                               | <b>250</b>                               |
| <b>Total own-source income</b>                                     | <b>28,089</b>               | <b>26,000</b>                          | <b>26,000</b>                            | <b>26,000</b>                            | <b>26,000</b>                            |
| <b>Net cost of (contribution by) services</b>                      | <b>190,854</b>              | <b>195,108</b>                         | <b>205,975</b>                           | <b>207,181</b>                           | <b>202,977</b>                           |
| Appropriation revenue  | 189,588                     | 195,108                                | 205,975                                  | 207,181                                  | 202,977                                  |
| <b>Surplus (Deficit)</b>   | <b>(1,266)</b>              | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Surplus (Deficit) attributable to the Australian Government</b> | <b>(1,266)</b>              | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |

Prepared on Australian Accounting Standards basis.

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

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS</b>                                 |                             |  |  |  |  |
| <b>Financial assets</b>                       |                             |  |  |  |  |
| Cash and equivalents                          | 4,133                       | 5,500                                  | 5,500                                    | 5,500                                    | 5,500                                    |
| Trade and other receivables                   | 41,860                      | 36,267                                 | 40,727                                   | 44,095                                   | 39,532                                   |
| <b>Total financial assets</b>                 | <b>45,993</b>               | <b>41,767</b>                          | <b>46,227</b>                            | <b>49,595</b>                            | <b>45,032</b>                            |
| <b>Non-financial assets</b>                   |                             |  |  |  |  |
| Land and buildings                            | 17,264                      | 17,155                                 | 17,073                                   | 17,011                                   | 16,965                                   |
| Infrastructure, plant and equipment           | 16,150                      | 19,945                                 | 16,392                                   | 14,181                                   | 20,047                                   |
| Intangibles                                   | 13,050                      | 14,009                                 | 14,684                                   | 15,089                                   | 15,332                                   |
| Other   | 7,331                       | 7,331                                  | 7,331                                    | 7,331                                    | 7,331                                    |
| <b>Total non-financial assets</b>             | <b>53,795</b>               | <b>58,440</b>                          | <b>55,480</b>                            | <b>53,612</b>                            | <b>59,675</b>                            |
| Assets held for sale                          |                             |  |  |  |  |
| <b>Total assets</b>                           | <b>99,788</b>               | <b>100,207</b>                         | <b>101,707</b>                           | <b>103,207</b>                           | <b>104,707</b>                           |
| <b>LIABILITIES</b>                            |                             |  |  |  |  |
| <b>Provisions</b>                             |                             |  |  |  |  |
| Employees                                     | 29,834                      | 30,034                                 | 31,534                                   | 33,034                                   | 34,534                                   |
| Other   | -                           | -                                      | -  | -  | -  |
| <b>Total provisions</b>                       | <b>29,834</b>               | <b>30,034</b>                          | <b>31,534</b>                            | <b>33,034</b>                            | <b>34,534</b>                            |
| <b>Payables</b>                               |                             |  |  |  |  |
| Suppliers                                     | 12,047                      | 11,229                                 | 11,229                                   | 11,229                                   | 11,229                                   |
| Other   | 4,167                       | 3,859                                  | 3,859                                    | 3,859                                    | 3,859                                    |
| <b>Total payables</b>                         | <b>16,214</b>               | <b>15,088</b>                          | <b>15,088</b>                            | <b>15,088</b>                            | <b>15,088</b>                            |
| <b>Total liabilities</b>                      | <b>46,048</b>               | <b>45,122</b>                          | <b>46,622</b>                            | <b>48,122</b>                            | <b>49,622</b>                            |
| <b>Net assets</b>                             | <b>53,740</b>               | <b>55,085</b>                          | <b>55,085</b>                            | <b>55,085</b>                            | <b>55,085</b>                            |
| <b>EQUITY*</b>                                |                             |  |  |  |  |
| Contributed equity                            | 13,267                      | 14,612                                 | 14,612                                   | 14,612                                   | 14,612                                   |
| Reserves                                      | 58,441                      | 58,441                                 | 58,441                                   | 58,441                                   | 58,441                                   |
| Retained surpluses or<br>accumulated deficits | (17,968)                    | (17,968)                               | (17,968)                                 | (17,968)                                 | (17,968)                                 |
| <b>Total equity</b>                           | <b>53,740</b>               | <b>55,085</b>                          | <b>55,085</b>                            | <b>55,085</b>                            | <b>55,085</b>                            |
| <b>Current assets</b>                         | <b>51,941</b>               | <b>47,265</b>                          | <b>51,725</b>                            | <b>55,093</b>                            | <b>50,530</b>                            |
| <b>Non-current assets</b>                     | <b>47,847</b>               | <b>52,942</b>                          | <b>49,982</b>                            | <b>48,114</b>                            | <b>54,177</b>                            |
| <b>Current liabilities</b>                    | <b>41,203</b>               | <b>40,610</b>                          | <b>41,960</b>                            | <b>43,310</b>                            | <b>44,660</b>                            |
| <b>Non-current liabilities</b>                | <b>4,845</b>                | <b>4,512</b>                           | <b>4,662</b>                             | <b>4,812</b>                             | <b>4,962</b>                             |

Note:

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

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Goods and services   | 24,381                      | 23,750                                 | 23,750                                   | 23,750                                   | 23,750                                   |
| Appropriations   | 185,183                     | 196,602                                | 201,515                                  | 203,813                                  | 207,540                                  |
| GST Received from the ATO                                  | 4,393                       | 5,629                                  | 5,705                                    | 5,714                                    | 5,714                                    |
| Other  | 2,480                       | 2,000                                  | 2,000                                    | 2,000                                    | 2,000                                    |
| <b>Total cash received</b>                                 | <b>216,437</b>              | <b>227,981</b>                         | <b>232,970</b>                           | <b>235,277</b>                           | <b>239,004</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Employees  | 112,051                     | 111,264                                | 114,575                                  | 114,534                                  | 111,877                                  |
| Suppliers  | 86,311                      | 92,416                                 | 98,382                                   | 99,495                                   | 97,891                                   |
| Net GST Paid   | 4,393                       | 5,629                                  | 5,705                                    | 5,714                                    | 5,714                                    |
| <b>Total cash used</b>                                     | <b>202,755</b>              | <b>209,309</b>                         | <b>218,662</b>                           | <b>219,743</b>                           | <b>215,482</b>                           |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>13,682</b>               | <b>18,672</b>                          | <b>14,308</b>                            | <b>15,534</b>                            | <b>23,522</b>                            |
| <b>INVESTING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Proceeds from sales of property,<br>plant and equipment    | 332                         | 250                                    | 250                                      | 250                                      | 250                                      |
| <b>Total cash received</b>                                 | <b>332</b>                  | <b>250</b>                             | <b>250</b>                               | <b>250</b>                               | <b>250</b>                               |
| <b>Cash used</b>   |                             |  |  |  |  |
| Purchase of property, plant<br>and equipment               | 17,412                      | 23,000                                 | 14,558                                   | 15,784                                   | 23,772                                   |
| <b>Total cash used</b>                                     | <b>17,412</b>               | <b>23,000</b>                          | <b>14,558</b>                            | <b>15,784</b>                            | <b>23,772</b>                            |
| <b>Net cash from or (used by)<br/>investing activities</b> | <b>(17,080)</b>             | <b>(22,750)</b>                        | <b>(14,308)</b>                          | <b>(15,534)</b>                          | <b>(23,522)</b>                          |
| <b>FINANCING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Appropriations - contributed equity                        | 3,308                       | 5,445                                  | -  | -  | -  |
| <b>Total cash received</b>                                 | <b>3,308</b>                | <b>5,445</b>                           | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Net cash from or (used by)<br/>financing activities</b> | <b>3,308</b>                | <b>5,445</b>                           | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Net increase or (decrease)<br/>in cash held</b>         | <b>(90)</b>                 | <b>1,367</b>                           | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| Cash at the beginning of<br>the reporting period           | 4,223                       | 4,133                                  | 5,500                                    | 5,500                                    | 5,500                                    |
| <b>Cash at the end of the<br/>reporting period</b>         | <b>4,133</b>                | <b>5,500</b>                           | <b>5,500</b>                             | <b>5,500</b>                             | <b>5,500</b>                             |

Prepared on Australian Accounting Standards basis.

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

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Other<br>reserves<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|-----------------------------|---|---------------------------|
| <b>Opening balance as at 1 July 2009</b>                       |                                |   |                             |   |                           |
| Balance carried forward from previous period                   | (17,968)                       | 19,716                                    | 38,725                      | 13,267                                      | 53,740                    |
| <b>Adjusted opening balance</b>                                | <b>(17,968)</b>                | <b>19,716</b>                             | <b>38,725</b>               | <b>13,267</b>                               | <b>53,740</b>             |
| <b>Income and expense</b>                                      |                                |   |                             |   |                           |
| Surplus (deficit) for the period                               | -                              | -   | -                           | -   | -                         |
| <b>Total income and expenses recognised directly in equity</b> | <b>(17,968)</b>                | <b>19,716</b>                             | <b>38,725</b>               | <b>13,267</b>                               | <b>53,740</b>             |
| <b>Transactions with owners</b>                                |                                |   |                             |   |                           |
| Contribution by owners   |                                |   |                             |   |                           |
| Appropriation (equity injection)                               | -                              | -   | -                           | 1,345                                       | 1,345                     |
| <b>Sub-total transactions with owners</b>                      | <b>-</b>                       | <b>-</b>                                  | <b>-</b>                    | <b>1,345</b>                                | <b>1,345</b>              |
| <b>Estimated closing balance as at 30 June 2010</b>            | <b>(17,968)</b>                | <b>19,716</b>                             | <b>38,725</b>               | <b>14,612</b>                               | <b>55,085</b>             |

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement - Departmental**

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>CAPITAL APPROPRIATIONS</b>                 |                             |  |  |  |  |
| Total equity injections                       | 113                         | 1,345                                  | -  | -  | -  |
| <b>Total capital appropriations</b>           | <b>113</b>                  | <b>1,345</b>                           | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Represented by:</b>                        |                             |  |  |  |  |
| Purchase of non-financial assets              | 113                         | 1,345                                  | -  | -  | -  |
| <b>Total represented by</b>                   | <b>113</b>                  | <b>1,345</b>                           | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>ACQUISITION OF NON-FINANCIAL ASSETS</b>    |                             |  |  |  |  |
| Funded by capital appropriations              | 3,308                       | 5,445                                  |  |  |  |
| Funded internally from departmental resources | 14,104                      | 17,555                                 | 14,558                                   | 15,784                                   | 23,772                                   |
| <b>TOTAL</b>                                  | <b>17,412</b>               | <b>23,000</b>                          | <b>14,558</b>                            | <b>15,784</b>                            | <b>23,772</b>                            |

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight review.

Prepared on Australian Accounting Standards basis.



**Table 3.2.6: Statement of Asset Movements (2009-10)**

|  | Buildings     | Other<br>infrastructure,<br>plant and<br>equipment | Intangibles   | Total         |
|--|---------------|--|---------------|---------------|
|  | \$'000        | \$'000   | \$'000        | \$'000        |
| <b>As at 1 July 2009</b>   |               |  |               |               |
| Gross book value   | 17,264        | 26,829   | 32,392        | 76,485        |
| Accumulated depreciation/amortisation  |               | 10,679   | 19,342        | 30,021        |
| <b>Opening net book balance</b>  | <b>17,264</b> | <b>16,150</b>                                      | <b>13,050</b> | <b>46,464</b> |
| <b>CAPITAL ASSET ADDITIONS</b>   |               |  |               |               |
| <b>Estimated expenditure on<br/>new or replacement assets</b>                        |               |  |               |               |
| By purchase or internally developed  | 4,500         | 10,500   | 8,000         | 23,000        |
| <b>Acquisition of entities or operations<br/>(including restructuring) sub-total</b> | <b>4,500</b>  | <b>10,500</b>                                      | <b>8,000</b>  | <b>23,000</b> |
| <b>Other movements</b>   |               |  |               |               |
| Depreciation/amortisation expense  | 4,609         | 6,305  | 7,041         | 17,955        |
| Disposals  |               | 200  |               | 200           |
| Other  |               | 200  |               | 200           |
| <b>As at 30 June 2010</b>  |               |  |               |               |
| Gross book value   | 21,764        | 26,250   | 21,050        | 69,064        |
| Accumulated depreciation/amortisation  | 4,609         | 6,305  | 7,041         | 17,955        |
| <b>Closing net book balance</b>  | <b>17,155</b> | <b>19,945</b>                                      | <b>14,009</b> | <b>51,109</b> |

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight review.

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity**

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

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

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

Administered expenses of \$200.4 million for 2009-10 remains unchanged since the 2009-10 Budget. This is comprised of \$190.4 million in grant expenditure and \$10.0 million in expenditure for the costs of administering the Export Market Development Grants scheme on behalf of the Government.

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

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

Total administered assets and liabilities for 2009-10 are estimated at \$0.1 million and \$4.3 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 Export Market Development Grants scheme.

**Table 3.2.8: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>INCOME ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>         |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| <b>Non-taxation</b>  |                             |  |  |  |  |
| Other sources of non-taxation<br>revenues                      | 1,653                       | -                                      | -  | -  | -  |
| <b>Total non-taxation</b>                                      | <b>1,653</b>                | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total revenues administered<br/>on behalf of government</b> | <b>1,653</b>                | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total income administered<br/>on behalf of government</b>   | <b>1,653</b>                | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>EXPENSES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| Grants   | 191,941                     | 190,380                                | 142,880                                  | 142,880                                  | 142,880                                  |
| Employees  | 6,424                       | 7,530                                  | 5,350                                    | 5,350                                    | 5,350                                    |
| Suppliers  | 1,818                       | 2,490                                  | 2,170                                    | 2,170                                    | 2,170                                    |
| <b>Total expenses administered<br/>on behalf of government</b> | <b>200,183</b>              | <b>200,400</b>                         | <b>150,400</b>                           | <b>150,400</b>                           | <b>150,400</b>                           |

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>            |                             |  |  |  |  |
| <b>Financial assets</b>   |                             |  |  |  |  |
| Receivables   | 127                         | 127                                    | 127                                      | 127                                      | 127                                      |
| <b>Total financial assets</b>                                     | <b>127</b>                  | <b>127</b>                             | <b>127</b>                               | <b>127</b>                               | <b>127</b>                               |
| <b>Non-financial assets</b>                                       |                             |  |  |  |  |
| Other   | 202                         | -                                      | -  | -  | -  |
| <b>Total non-financial assets</b>                                 | <b>202</b>                  | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total assets administered<br/>on behalf of government</b>      | <b>329</b>                  | <b>127</b>                             | <b>127</b>                               | <b>127</b>                               | <b>127</b>                               |
| <b>LIABILITIES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| <b>Provisions</b>   |                             |  |  |  |  |
| Employees   | 2,043                       | 2,043                                  | 2,043                                    | 2,043                                    | 2,043                                    |
| Grants  | 9,243                       | 2,000                                  | 2,000                                    | 2,000                                    | 2,000                                    |
| <b>Total provisions</b>   | <b>11,286</b>               | <b>4,043</b>                           | <b>4,043</b>                             | <b>4,043</b>                             | <b>4,043</b>                             |
| <b>Payables</b>   |                             |  |  |  |  |
| Suppliers   | 214                         | 214                                    | 214                                      | 214                                      | 214                                      |
| Other payables  | 92                          | 92                                     | 92                                       | 92                                       | 92                                       |
| <b>Total payables</b>   | <b>306</b>                  | <b>306</b>                             | <b>306</b>                               | <b>306</b>                               | <b>306</b>                               |
| <b>Total liabilities administered<br/>on behalf of government</b> | <b>11,592</b>               | <b>4,349</b>                           | <b>4,349</b>                             | <b>4,349</b>                             | <b>4,349</b>                             |

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of budgeted administered cash flows  
(for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Net GST received   | 117                         | 195                                    | 195                                      | 195                                      | 195                                      |
| Other  | 3,038                       | -                                      | -  | -  | -  |
| <b>Total cash received</b>                                 | <b>3,155</b>                | <b>195</b>                             | <b>195</b>                               | <b>195</b>                               | <b>195</b>                               |
| <b>Cash used</b>   |                             |  |  |  |  |
| Employees  | 6,341                       | 6,526                                  | 5,350                                    | 5,350                                    | 5,350                                    |
| Grant payments   | 185,880                     | 190,380                                | 142,880                                  | 142,880                                  | 142,880                                  |
| Suppliers  | 2,085                       | 3,494                                  | 2,170                                    | 2,170                                    | 2,170                                    |
| Net GST paid   | -                           | 195                                    | 195                                      | 195                                      | 195                                      |
| <b>Total cash used</b>                                     | <b>194,306</b>              | <b>200,595</b>                         | <b>150,595</b>                           | <b>150,595</b>                           | <b>150,595</b>                           |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>(191,151)</b>            | <b>(200,400)</b>                       | <b>(150,400)</b>                         | <b>(150,400)</b>                         | <b>(150,400)</b>                         |
| <b>Net increase or (decrease) in<br/>cash held</b>         |                             |  |  |  |  |
| Cash at beginning of reporting period                      | 1                           | -                                      | -  | -  | -  |
| Cash from Official Public Account for:<br>- appropriations | 194,413                     | 200,400                                | 150,400                                  | 150,400                                  | 150,400                                  |
| Cash to Official Public Account for:<br>- appropriations   | (3,263)                     | -                                      | -  | -  | -  |
| <b>Cash at end of reporting period</b>                     | <b>-</b>                    | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |

Prepared on Australian Accounting Standards basis.

### **Notes to the financial statements**

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

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

#### **Departmental**

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

#### **Administered**

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







# AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

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# **AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)**

## **Section 1: Agency overview and resources**

### **1.1 STRATEGIC DIRECTION**

A full outline of AusAID's strategic direction can be found in the *2009-10 Portfolio Budget Statements*. AusAID's role, strategic direction and outcomes remain unchanged as a result of Additional Estimates.

Through the 2009-10 Additional Estimates, AusAID will receive an additional \$8.991 million in 2009-10 to enable the Australian Government to implement the measures detailed in Table 1.2.

### **1.2 AGENCY RESOURCE STATEMENT**

The Agency Resource Statement details the resourcing for AusAID at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2009-10 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: AusAID resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009**

|   | Estimate as<br>at Budget + | Proposed<br>Additional =<br>Estimates | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|---|----------------------------|---------------------------------------|---|-------------------------------------|
|   | 2009-10<br>\$'000          | 2009-10<br>\$'000                     | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Ordinary annual services<sup>1</sup></b>                   |                            |                                       |   |                                     |
| <b>Departmental appropriation</b>                             |                            |                                       |   |                                     |
| Departmental appropriation                                    | 153,402                    | 7,771                                 | 161,173   | 20,249                              |
| Section 31 Relevant agency receipts <sup>3</sup>              | 231                        | -                                     | 231   | -                                   |
| <b>Total</b>  | <b>153,633</b>             | <b>7,771</b>                          | <b>161,404</b>                                  |                                     |
| <b>Administered expenses</b>                                  |                            |                                       |   |                                     |
| Outcome 1   | 3,910,025                  | (250)                                 | 3,909,775                                       | 1,076,625                           |
| Outcome 2   | 3,868                      | -                                     | 3,868   |                                     |
| <b>Total</b>  | <b>3,913,893</b>           | <b>-</b>                              | <b>3,913,643</b>                                |                                     |
| <b>Total ordinary annual services</b>                         | <b>A 4,067,526</b>         | <b>7,521</b>                          | <b>4,075,047</b>                                |                                     |
| <b>Other services<sup>2</sup></b>                             |                            |                                       |   |                                     |
| <b>Administered Revenue</b>                                   |                            |                                       |   |                                     |
| Outcome 1   | 4,538                      | -                                     | 4,538   |                                     |
| <b>Total</b>  | <b>4,538</b>               |                                       | <b>4,538</b>                                    |                                     |
| <b>Departmental non-operating</b>                             |                            |                                       |   |                                     |
| Equity injections   | 1,608                      | 1,220                                 | 2,828   |                                     |
| Previous years' outputs                                       | -                          | -                                     | -   |                                     |
| <b>Total</b>  | <b>1,608</b>               | <b>1,220</b>                          | <b>2,828</b>                                    |                                     |
| <b>Administered non-operating</b>                             |                            |                                       |   |                                     |
| Administered assets and liabilities                           | 6,252                      | -                                     | 6,252   |                                     |
| <b>Total</b>  | <b>6,252</b>               | <b>-</b>                              | <b>6,252</b>                                    |                                     |
| <b>Total other services</b>                                   | <b>B 12,398</b>            | <b>1,220</b>                          | <b>13,618</b>                                   |                                     |
| <b>Total available annual appropriations</b>                  | <b>4,079,924</b>           | <b>8,741</b>                          | <b>4,088,665</b>                                |                                     |
| <b>Special appropriations</b>                                 |                            |                                       |   |                                     |
| <b>Special appropriations limited by criteria/entitlement</b> |                            |                                       |   |                                     |
| <b>Total special appropriations</b>                           | <b>C -</b>                 | <b>-</b>                              | <b>-</b>  | <b>-</b>                            |
| <b>Total appropriations excluding special accounts</b>        | <b>4,079,924</b>           | <b>8,741</b>                          | <b>4,088,665</b>                                | <b>-</b>                            |

**Table 1.1: AusAID resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009 (continued)**

|   | Estimate as<br>at Budget + | Proposed<br>Additional =<br>Estimates | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|---|----------------------------|---------------------------------------|---|-------------------------------------|
|   | 2009-10<br>\$'000          | 2009-10<br>\$'000                     | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Special accounts</b>                           |                            |                                       |   |                                     |
| Opening balance <sup>4</sup>                      | 336,010                    | -                                     | 336,010   | 336,010                             |
| Appropriation receipts <sup>5</sup>               |                            |                                       |   |                                     |
| Non-appropriation receipts to<br>Special accounts | 5,000                      | -                                     | 5,000   | 517                                 |
| <b>Total special account</b>                      | <b>D 341,010</b>           | <b>-</b>                              | <b>341,010</b>                                  | <b>336,527</b>                      |
| <b>Total resourcing</b>                           |                            |                                       |   |                                     |
| A+B+C+D   |                            |                                       |   |                                     |
| <b>Total net resourcing for AusAID</b>            | <b>4,420,934</b>           | <b>8,741</b>                          | <b>4,429,675</b>                                | <b>336,527</b>                      |

Notes:

1. Appropriation Bill (No.1) 2009-10
2. Appropriation Bill (No.2) 2009-10
3. s31 Relevant Agency receipts - estimate
4. Estimated adjusted balance carried from previous year for Annual Appropriations
5. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.3.

All figures are GST exclusive.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2009-10 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Agency Measures since Budget**

|  | Program | 2009-10<br>\$'000 | 2010-11<br>\$'000 | 2011-12<br>\$'000 | 2012-13<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>  |         |                   |                   |                   |                   |
| Overseas development assistance - Office of Deployable Civillian Capacity                        | DS      |                   |                   |                   |                   |
| Departmental expenses  |         | 7,771             | 10,111            | 10,824            | 10,982            |
| <b>Total</b>   |         | <b>7,771</b>      | <b>10,111</b>     | <b>10,824</b>     | <b>10,982</b>     |
| Overseas development assistance - International Finance Facility for Immunisation - contribution | 1.6     |                   |                   |                   |                   |
| Administered expenses  |         | -                 | 3,000             | 5,000             | 5,000             |
| <b>Total</b>   |         | <b>-</b>          | <b>3,000</b>      | <b>5,000</b>      | <b>5,000</b>      |
| <b>Total expense measures</b>  |         |                   |                   |                   |                   |
| Administered   |         | -                 | 3,000             | 5,000             | 5,000             |
| Departmental   |         | 7,771             | 10,111            | 10,824            | 10,982            |
| <b>Total</b>   |         | <b>7,771</b>      | <b>13,111</b>     | <b>15,824</b>     | <b>15,982</b>     |
| <b>Capital measures (if applicable)</b>  |         |                   |                   |                   |                   |
| Overseas development assistance - Office of Deployable Civillian Capacity                        | DS      |                   |                   |                   |                   |
| Departmental capital   |         | 1,220             | 40                | 40                | 40                |
| <b>Total</b>   |         | <b>1,220</b>      | <b>40</b>         | <b>40</b>         | <b>40</b>         |
| <b>Total capital measures</b>  |         |                   |                   |                   |                   |
| Departmental   |         | 1,220             | 40                | 40                | 40                |
| <b>Total</b>   |         | <b>1,220</b>      | <b>40</b>         | <b>40</b>         | <b>40</b>         |

Notes:

DS = Departmental Support

Prepared on a Government Financial Statistics (Fiscal) Basis.

The full measure descriptions appear in *Mid Year Economic and Fiscal Outlook* under the Foreign Affairs and Trade Portfolio.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for AusAID at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2009-10 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2009-10 Budget**

|  | Program impacted | 2009-10 (\$'000) | 2010-11 (\$'000) | 2011-12 (\$'000) | 2012-13 (\$'000) |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>Outcome 1</b>   |                  |                  |                  |                  |                  |
| Increase in estimates (administered)   |                  |                  |                  |                  |                  |
| Overseas development assistance - International Finance Facility for Immunisation - contribution | 1.6              | -                | 3,000            | 5,000            | 5,000            |
| <b>Net impact on estimates for Outcome 1 (administered)</b>                                      |                  | <b>-</b>         | <b>3,000</b>     | <b>5,000</b>     | <b>5,000</b>     |
| Increase in estimates (departmental)   |                  |                  |                  |                  |                  |
| Overseas development assistance - Office of Deployable Civilian Capacity                         | DS               | 8,991            | 10,151           | 10,864           | 11,022           |
| <b>Net impact on estimates for Outcome 1 (departmental)</b>                                      |                  | <b>8,991</b>     | <b>10,151</b>    | <b>10,864</b>    | <b>11,022</b>    |

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

|   | Program impacted | 2009-10 (\$'000) | 2010-11 (\$'000) | 2011-12 (\$'000) | 2012-13 (\$'000) |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>Outcome 1</b>  |                  |                  |                  |                  |                  |
| Increase in estimates (administered)  |                  |                  |                  |                  |                  |
| Application of Parameters   | all              | -                | (1,715)          | 12,448           | 12,815           |
| Transfer of appropriation to ACIAR to implement Africa components of the 2009-10 food security budget measure | 1.3              | (250)            | (750)            | (7,250)          | (10,760)         |
| <b>Net impact on estimates for Outcome 1 (administered)</b>   |                  | <b>(250)</b>     | <b>(2,465)</b>   | <b>5,198</b>     | <b>2,055</b>     |
| Increase in estimates (departmental)  |                  |                  |                  |                  |                  |
| Application of Parameters   | DS               | -                | (143)            | (430)            | (533)            |
| <b>Net impact on estimates for Outcome 1 (departmental)</b>   |                  | <b>-</b>         | <b>(143)</b>     | <b>(430)</b>     | <b>(533)</b>     |

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

**Table 1.5: Appropriation Bill (No. 3) 2009-10**

|   | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|---|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>ADMINISTERED ITEMS</b>   |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>  |                                  |                               |                                |                                     |                                  |
| To assist developing countries to reduce poverty and achieve sustainable development in line with Australia's national interest | 2,810,890                        | 2,833,400                     | 2,833,150                      | -                                   | (250)                            |
| <b>Total</b>  | 2,810,890                        | 2,833,400                     | 2,833,150                      | -                                   | (250)                            |
| <b>DEPARTMENTAL PROGRAMS</b>  |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>  |                                  |                               |                                |                                     |                                  |
| To assist developing countries to reduce poverty and achieve sustainable development in line with Australia's national interest | 123,736                          | 127,144                       | 134,915                        | 7,771                               | -                                |
| <b>Total</b>  | 123,736                          | 127,144                       | 134,915                        | 7,771                               | -                                |
| <b>Total administered and departmental</b>  | 2,934,626                        | 2,960,544                     | 2,968,065                      | 7,771                               | (250)                            |

Note:

2008-09 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: *Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other Reductions +/- Section 32.*



**Table 1.6: Appropriation Bill (No. 4) 2009-10**

|  | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|--|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>Total</b>                               |                                  |                               |                                |                                     |                                  |
| <b>Non-operating</b>                       |                                  |                               |                                |                                     |                                  |
| Equity injections                          |                                  |                               |                                |                                     |                                  |
| Office of Deployable Civillian<br>Capacity | 1,822                            | 1,608                         | 2,828                          | 1,220                               | -                                |
| <b>Total non-operating</b>                 |                                  |                               |                                |                                     |                                  |
| AusAID                                     |                                  |                               |                                |                                     |                                  |
| <b>Total</b>                               | <b>1,822</b>                     | <b>1,608</b>                  | <b>2,828</b>                   | <b>1,220</b>                        | <b>-</b>                         |

**Note:**

2008-09 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: *Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other Reductions +/- Section 32.*

## Section 2: Revisions to agency resources and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

#### OUTCOME 1: TO ASSIST DEVELOPING COUNTRIES TO REDUCE POVERTY AND ACHIEVE SUSTAINABLE DEVELOPMENT, IN LINE WITH AUSTRALIA'S NATIONAL INTEREST

##### *Outcome 1 Strategy*

AusAID's outcome 1 Strategy, key performance indicators and targets as reported in the 2009-10 Portfolio Budget Statements remain unchanged as a result of Additional Estimates.

The Government will provide additional funding for the establishment of the Office of Deployable Civilian Capacity and funding for Australia's contribution to the International Finance Facility for Immunisation.

**Table 2.1 Budgeted Expenses and Resources for Outcome 1**

| <b>Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest</b> | 2008-09<br>Actual<br>expenses<br>\$'000 | 2009-10<br>Revised<br>estimated<br>expenses<br>\$'000 |
|--|---|---|
| <b>Departmental Support</b>  |   |   |
| Departmental expenses  |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | 123,736                                 | 134,915   |
| Other services (Appropriation Bill No. 2 & 4)  | 1,822                                   | 2,828   |
| <b>Total for Departmental Support</b>  | <b>125,558</b>                          | <b>137,743</b>  |
| <b>Outcome 1 Totals by appropriation type</b>  |   |   |
| Departmental expenses  |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | 123,736                                 | 134,915   |
| Other services (Appropriation Bill No. 2 & 4)  | 1,822                                   | 2,828   |
| <b>Total expenses for Outcome 1</b>  | <b>125,558</b>                          | <b>137,743</b>  |
|  | 2008-09                                 | 2009-10   |
| <b>Average Staffing Level (number)</b>   | <b>658</b>                              | <b>670</b>  |

## OUTCOME 2: AUSTRALIA'S NATIONAL INTEREST ADVANCED BY IMPLEMENTING A PARTNERSHIP BETWEEN AUSTRALIA AND INDONESIA FOR RECONSTRUCTION AND DEVELOPMENT

### Outcome 2 Strategy

AusAID's outcome 2 Strategy, key performance indicators and targets as reported in the 2009-10 Portfolio Budget Statements remain unchanged as a result of Additional Estimates.

| <b>Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development</b> | 2008-09<br>Actual<br>expenses<br>\$'000 | 2009-10<br>Revised<br>estimated<br>expenses<br>\$'000 |
|---|---|---|
| <b>Program 2.1 East Asia</b>  |   |   |
| Administered expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 4,207                                   | 6,009   |
| AIPRD Loans special account <sup>1</sup>  | 84,027                                  | 70,000  |
| AIPRD Grants special account <sup>1</sup>   | 108,048                                 | 57,094  |
| <b>Total for Administered Expenses</b>  | <b>196,282</b>                          | <b>133,103</b>  |
| <b>Departmental Support</b>   |   |   |
| Departmental expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 3,144                                   | 3,868   |
| <b>Total for Departmental Support</b>   | <b>3,144</b>                            | <b>3,868</b>  |
| <b>Outcome 2 Totals by appropriation type</b>   |   |   |
| Administered Expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 4,207                                   | 6,009   |
| AIPRD Loans special account <sup>1</sup>  | 84,027                                  | 70,000  |
| AIPRD Grants special account <sup>1</sup>   | 108,048                                 | 57,094  |
| Departmental expenses   |   |   |
| Ordinary annual services (Appropriation Bill No. 1 & 3)   | 3,144                                   | 3,868   |
| <b>Total expenses for Outcome 2</b>   | <b>199,426</b>                          | <b>136,971</b>  |
| <b>Average Staffing Level (number)</b>  | <b>25</b>                               | <b>22</b>   |

Note:

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

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by AusAID. The corresponding table in the 2009-10 *Portfolio Budget Statements* is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

|   |         | Opening<br>balance<br><b>2009-10</b><br>2008-09 | Receipts<br><b>2009-10</b><br>2008-09 | Payments<br><b>2009-10</b><br>2008-09 | Adjustments<br><b>2009-10</b><br>2008-09 | Closing<br>balance<br><b>2009-10</b><br>2008-09 |
|---|---------|---|---------------------------------------|---------------------------------------|--|---|
|   | Outcome | \$'000  | \$'000                                | \$'000                                | \$'000                                   | \$'000  |
| Services for Other Governments and Non-Agency Bodies (A)<br><i>Financial Management and Accountability Act 1997 s.20</i>  | 1       | 571   | 5,000                                 | 5,000                                 | -  | 571   |
|   |         | 4,215   | 2,102                                 | 5,746                                 | -  | 571   |
| Other Trust Moneys Account (D)<br><i>Financial Management and Accountability Act 1997 s.20</i>  | 1       | 0   | -                                     | -                                     | -  | -   |
|   |         | 0   | -                                     | -                                     | -  | -   |
| Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A)<br><i>Financial Management and Accountability Act 1997 s.20</i> | 2       | 57,094  | -                                     | 57,094                                | -  | -   |
|   |         | 165,142   | -                                     | 108,048                               | -  | 57,094  |
| Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A)<br><i>Financial Management and Accountability Act 1997 s.20</i>  | 2       | 278,345   | -                                     | 70,000                                | -  | 208,345   |
|   |         | 362,372   | -                                     | 84,027                                | -  | 278,345   |
| <b>Total special accounts</b>   |         |   |                                       |                                       |  |   |
| <b>2009-10 Budget estimate</b>  |         | <b>336,010</b>                                  | <b>5,000</b>                          | <b>132,094</b>                        |  | <b>208,916</b>                                  |
| Total special accounts<br>2008-09 estimate actual   |         | 531,729   | 2,102                                 | 197,821                               |  | 336,010   |

Notes:

(A) = Administered

(D) = Departmental

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

These statements provide actual results for 2008-09 and the revised Budget for 2009-10 and forward years.

#### **Budgeted departmental income statement**

Total revenue in 2009-10 is estimated to be \$140.9 million which represents an increase of \$7.8 million from Budget. This is a result of the increased funding for the new measures outlined in Table 1.2.

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

AusAID's 2009-10 budgeted net asset position of \$24.5 million represents an increase of \$2.8 million from the 2008-09 actual net asset position.

#### **Budgeted departmental statement of cash flows**

This statement shows the budgeted cash flows.

#### **Budgeted statement of changes in equity – summary of movement**

Total equity in 2009-10 is estimated to be \$24.5 million, an increase of \$2.8 million from the 2008- 09 actual.

#### **Schedule of budgeted income and expenses administered on behalf of government**

This schedule shows the budgeted income and expenses administered on behalf of the Government.

#### **Schedule of budgeted assets and liabilities administered on behalf of Government**

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

### 3.2.2 Budgeted financial statements

#### Departmental financial statements

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>EXPENSES</b>  |                             |  |  |  |  |
| Employee benefits  | 80,648                      | 104,238                                | 106,323                                  | 108,449                                  | 110,618                                  |
| Supplier   | 44,146                      | 31,235                                 | 35,003                                   | 28,436                                   | 27,361                                   |
| Depreciation and amortisation                                      | 6,138                       | 6,100                                  | 6,200                                    | 6,200                                    | 6,200                                    |
| Write-down and impairment of assets                                | 234                         | 81                                     | 81                                       | 81                                       | 81                                       |
| Losses from asset sales  | 13                          | -                                      | -  | -  | -  |
| Finance costs  | 791                         | -                                      | -  | -  | -  |
| <b>Total expenses</b>  | <b>131,970</b>              | <b>141,654</b>                         | <b>147,607</b>                           | <b>143,166</b>                           | <b>144,260</b>                           |
| <b>LESS:</b>   |                             |  |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| Sale of goods and rendering of services                            | 738                         | 300                                    | 300                                      | 300                                      | 300                                      |
| <b>Total revenue</b>   | <b>738</b>                  | <b>300</b>                             | <b>300</b>                               | <b>300</b>                               | <b>300</b>                               |
| <b>Gains</b>   |                             |  |  |  |  |
| Other gains  | 548                         | 430                                    | 430                                      | 430                                      | 430                                      |
| <b>Total gains</b>   | <b>548</b>                  | <b>430</b>                             | <b>430</b>                               | <b>430</b>                               | <b>430</b>                               |
| <b>Total own-source income</b>                                     | <b>1,286</b>                | <b>730</b>                             | <b>730</b>                               | <b>730</b>                               | <b>730</b>                               |
| <b>Net cost of (contribution by) services</b>                      | <b>130,219</b>              | <b>140,924</b>                         | <b>146,877</b>                           | <b>142,436</b>                           | <b>143,530</b>                           |
| Appropriation revenue  | 130,219                     | 140,924                                | 146,877                                  | 142,436                                  | 143,530                                  |
| <b>Surplus (Deficit)</b>   | (465)                       | -                                      | -  | -  | -  |
| <b>Surplus (Deficit) attributable to the Australian Government</b> | (465)                       | -                                      | -  | -  | -  |

Prepared on Australian Accounting Standards basis.

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

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS</b>                                 |                             |  |  |  |  |
| <b>Financial assets</b>                       |                             |  |  |  |  |
| Cash and equivalents                          | 267                         | 4,796                                  | 187                                      | 1,849                                    | 914                                      |
| Trade and other receivables                   | 21,530                      | 19,272                                 | 25,299                                   | 25,442                                   | 27,615                                   |
| <b>Total financial assets</b>                 | <b>21,797</b>               | <b>24,068</b>                          | <b>25,486</b>                            | <b>27,291</b>                            | <b>28,529</b>                            |
| <b>Non-financial assets</b>                   |                             |  |  |  |  |
| Leasehold improvements                        | 17,632                      | 19,489                                 | 19,808                                   | 19,808                                   | 19,808                                   |
| Property, plant and equipment                 | 7,018                       | 7,109                                  | 7,226                                    | 7,226                                    | 7,226                                    |
| Intangibles                                   | 2,642                       | 2,678                                  | 2,722                                    | 2,722                                    | 2,722                                    |
| Other   | 2,914                       | 2,896                                  | 2,943                                    | 2,943                                    | 2,943                                    |
| <b>Total non-financial assets</b>             | <b>30,206</b>               | <b>32,172</b>                          | <b>32,699</b>                            | <b>32,699</b>                            | <b>32,699</b>                            |
| <b>Total assets</b>                           | <b>52,003</b>               | <b>56,240</b>                          | <b>58,185</b>                            | <b>59,990</b>                            | <b>61,228</b>                            |
| <b>Provisions</b>                             |                             |  |  |  |  |
| Employees                                     | 20,251                      | 25,751                                 | 26,781                                   | 27,583                                   | 28,967                                   |
| Other   | 4,510                       | -                                      | -  | -  | -  |
| <b>Total provisions</b>                       | <b>24,761</b>               | <b>25,751</b>                          | <b>26,781</b>                            | <b>27,583</b>                            | <b>28,967</b>                            |
| <b>Payables</b>                               |                             |  |  |  |  |
| Suppliers                                     | 4,388                       | 4,318                                  | 4,117                                    | 4,118                                    | 4,126                                    |
| Other   | 1,172                       | 1,661                                  | 1,732                                    | 1,804                                    | 1,880                                    |
| <b>Total payables</b>                         | <b>5,560</b>                | <b>5,979</b>                           | <b>5,849</b>                             | <b>5,922</b>                             | <b>6,006</b>                             |
| <b>Total liabilities</b>                      | <b>30,321</b>               | <b>31,730</b>                          | <b>32,630</b>                            | <b>33,505</b>                            | <b>34,973</b>                            |
| <b>Net assets</b>                             | <b>21,682</b>               | <b>24,510</b>                          | <b>25,555</b>                            | <b>26,485</b>                            | <b>26,255</b>                            |
| <b>EQUITY*</b>                                |                             |  |  |  |  |
| <b>Parent entity interest</b>                 |                             |  |  |  |  |
| Contributed equity                            | 20,928                      | 23,756                                 | 24,802                                   | 25,462                                   | 25,502                                   |
| Reserves                                      | 374                         | 374                                    | 374                                      | 374                                      | 374                                      |
| Retained surpluses or<br>accumulated deficits | 380                         | 380                                    | 380                                      | 380                                      | 380                                      |
| <b>Total parent entity interest</b>           | <b>21,682</b>               | <b>24,510</b>                          | <b>25,556</b>                            | <b>26,216</b>                            | <b>26,256</b>                            |
| <b>Total equity</b>                           | <b>21,682</b>               | <b>24,510</b>                          | <b>25,556</b>                            | <b>26,216</b>                            | <b>26,256</b>                            |
| <b>Current assets</b>                         | 24,471                      | 26,964                                 | 28,429                                   | 30,234                                   | 31,472                                   |
| <b>Non-current assets</b>                     | 27,532                      | 29,276                                 | 29,756                                   | 29,756                                   | 29,756                                   |
| <b>Current liabilities</b>                    | 23,542                      | 24,636                                 | 25,335                                   | 26,014                                   | 27,154                                   |
| <b>Non-current liabilities</b>                | 6,779                       | 7,094                                  | 7,295                                    | 7,491                                    | 7,819                                    |

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Goods and services   | 732                         | 300                                    | 300                                      | 300                                      | 300                                      |
| Appropriations   | 125,116                     | 144,049                                | 141,390                                  | 142,870                                  | 141,955                                  |
| Net GST received   | 3,108                       | -                                      | -  | -  | -  |
| <b>Total cash received</b>                                 | <b>128,956</b>              | <b>144,349</b>                         | <b>141,690</b>                           | <b>143,170</b>                           | <b>142,255</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Employees  | 77,625                      | 103,247                                | 105,247                                  | 107,378                                  | 109,504                                  |
| Suppliers  | 46,300                      | 31,235                                 | 35,291                                   | 28,509                                   | 27,445                                   |
| <b>Total cash used</b>                                     | <b>123,925</b>              | <b>134,482</b>                         | <b>140,538</b>                           | <b>135,887</b>                           | <b>136,949</b>                           |
| <b>Net cash from or (used by)<br/>operating activities</b> | <b>5,031</b>                | <b>9,867</b>                           | <b>1,152</b>                             | <b>7,283</b>                             | <b>5,306</b>                             |
| <b>INVESTING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Proceeds from sales of property,<br>plant and equipment    | 111                         | -                                      | -  | -  | -  |
| <b>Total cash received</b>                                 | <b>111</b>                  | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Cash used</b>   |                             |  |  |  |  |
| Purchase of property, plant<br>and equipment               | 5,907                       | 6,012                                  | 6,726                                    | 6,281                                    | 6,281                                    |
| <b>Total cash used</b>                                     | <b>5,907</b>                | <b>6,012</b>                           | <b>6,726</b>                             | <b>6,281</b>                             | <b>6,281</b>                             |
| <b>Net cash from or (used by)<br/>investing activities</b> | <b>(5,796)</b>              | <b>(6,012)</b>                         | <b>(6,726)</b>                           | <b>(6,281)</b>                           | <b>(6,281)</b>                           |
| <b>FINANCING ACTIVITIES</b>                                |                             |  |  |  |  |
| <b>Cash received</b>                                       |                             |  |  |  |  |
| Appropriations - contributed equity                        | -                           | 2,828                                  | 1,046                                    | 660                                      | 40                                       |
| <b>Total cash received</b>                                 | <b>-</b>                    | <b>2,828</b>                           | <b>1,046</b>                             | <b>660</b>                               | <b>40</b>                                |
| <b>Net cash from or (used by)<br/>financing activities</b> | <b>-</b>                    | <b>2,828</b>                           | <b>1,046</b>                             | <b>660</b>                               | <b>40</b>                                |
| <b>Net increase or (decrease)<br/>in cash held</b>         | <b>(765)</b>                | <b>6,682</b>                           | <b>(4,574)</b>                           | <b>1,662</b>                             | <b>(935)</b>                             |
| Cash at the beginning of<br>the reporting period           | 1,032                       | 267                                    | 6,949                                    | 2,376                                    | 4,037                                    |
| <b>Cash at the end of the<br/>reporting period</b>         | <b>267</b>                  | <b>6,949</b>                           | <b>2,376</b>                             | <b>4,037</b>                             | <b>3,102</b>                             |

Prepared on Australian Accounting Standards basis.



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

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Other<br>reserves<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|-----------------------------|---|---------------------------|
| <b>Opening balance as at 1 July 2009</b>                       |                                |   |                             |   |                           |
| Balance carried forward from previous period                   | 380                            | 374                                       | -                           | 20,928                                      | 21,682                    |
| Adjustment for changes in accounting policies                  |                                |   |                             |   |                           |
| <b>Adjusted opening balance</b>                                | <b>380</b>                     | <b>374</b>                                | <b>-</b>                    | <b>20,928</b>                               | <b>21,682</b>             |
| <b>Income and expense</b>                                      |                                |   |                             |   |                           |
| <b>Sub-total income and expense</b>                            | -                              | -   | -                           | -   | -                         |
| Surplus (deficit) for the period                               | -                              | -   | -                           | -   | -                         |
| <b>Total income and expenses recognised directly in equity</b> | -                              | -   | -                           | -   | -                         |
| <b>Transactions with owners</b>                                |                                |   |                             |   |                           |
| <i>Contribution by owners</i>                                  |                                |   |                             |   |                           |
| Appropriation (equity injection)                               | -                              | -   | -                           | 2,828                                       | 2,828                     |
| <b>Sub-total transactions with owners</b>                      | -                              | -   | -                           | <b>2,828</b>                                | <b>2,828</b>              |
| Transfers between equity components                            | -                              | -   | -                           | -   | -                         |
| <b>Estimated closing balance as at 30 June 2010</b>            | <b>380</b>                     | <b>374</b>                                | <b>-</b>                    | <b>23,756</b>                               | <b>24,510</b>             |

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement – Departmental**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>CAPITAL APPROPRIATIONS</b>              |                             |  |  |  |  |
| Total equity injections                    | 1,822                       | 2,828                                  | 1,046                                    | 660                                      | 40                                       |
| <b>Total capital appropriations</b>        | <b>1,822</b>                | <b>2,828</b>                           | <b>1,046</b>                             | <b>660</b>                               | <b>40</b>                                |
| <b>Represented by:</b>                     |                             |  |  |  |  |
| Purchase of non-financial assets           | 1,822                       | 2,828                                  | 1,046                                    | 660                                      | 40                                       |
| Other                                      | -                           | -                                      | -  | -  | -  |
| <b>Total represented by</b>                | <b>1,822</b>                | <b>2,828</b>                           | <b>1,046</b>                             | <b>660</b>                               | <b>40</b>                                |
| <b>ACQUISITION OF NON-FINANCIAL ASSETS</b> |                             |  |  |  |  |
| Funded by capital appropriations           | 1,822                       | 2,828                                  | 1,046                                    | 660                                      | 40                                       |
| <b>TOTAL</b>                               | <b>1,822</b>                | <b>2,828</b>                           | <b>1,046</b>                             | <b>660</b>                               | <b>40</b>                                |

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight review.

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of Asset Movements (2009-10)**

|  | Buildings     | Other<br>infrastructure,<br>plant and<br>equipment | Intangibles  | Total         |
|--|---------------|--|--------------|---------------|
|  | \$'000        | \$'000   | \$'000       | \$'000        |
| <b>As at 1 July 2009</b>   |               |  |              |               |
| Gross book value   | 21,838        | 11,040   | 9,558        | 42,436        |
| Accumulated depreciation/amortisation  | (4,206)       | (4,022)  | (6,916)      | (15,144)      |
| <b>Opening net book balance</b>  | <b>17,632</b> | <b>7,018</b>                                       | <b>2,642</b> | <b>27,292</b> |
| <b>CAPITAL ASSET ADDITIONS</b>   |               |  |              |               |
| <b>Estimated expenditure on<br/>new or replacement assets</b>                        |               |  |              |               |
| By purchase or internally developed  | 4,907         | 2,612  | 628          | 8,147         |
| <b>Acquisition of entities or operations<br/>(including restructuring) sub-total</b> | <b>-</b>      | <b>-</b>   | <b>-</b>     | <b>-</b>      |
| <b>Other movements</b>   |               |  |              |               |
| Assets held for sale or in a disposal<br>group held for sale                         |               |  |              |               |
| Depreciation/amortisation expense  | (3,050)       | (2,440)  | (592)        | (6,082)       |
| Disposals  | -             | (81)   | -            | (81)          |
| <b>As at 30 June 2010</b>  |               |  |              |               |
| Gross book value   | 26,745        | 13,571   | 10,186       | 50,502        |
| Accumulated depreciation/amortisation  | (7,256)       | (6,462)  | (7,508)      | (21,226)      |
| <b>Closing net book balance</b>  | <b>19,489</b> | <b>7,109</b>                                       | <b>2,678</b> | <b>29,276</b> |

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity**

**Table 3.2.8: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>INCOME ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>         |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| <b>Non-taxation</b>  |                             |  |  |  |  |
| Interest   | 2,057                       | 3,371                                  | 4,264                                    | 5,158                                    | 6,051                                    |
| Other sources of non-taxation<br>revenues                      |                             | 4,538                                  | 4,811                                    | 5,099                                    | 5,405                                    |
| <b>Total non-taxation</b>                                      | <b>2,057</b>                | <b>7,909</b>                           | <b>9,075</b>                             | <b>10,257</b>                            | <b>11,456</b>                            |
| <b>Total revenues administered<br/>on behalf of government</b> | <b>2,057</b>                | <b>7,909</b>                           | <b>9,075</b>                             | <b>10,257</b>                            | <b>11,456</b>                            |
| <b>Gains</b>   |                             |  |  |  |  |
| Sale of assets   | 39                          | -                                      | -  | -  | -  |
| Other gains  | 317                         | -                                      | -  | -  | -  |
| <b>Total gains administered<br/>on behalf of government</b>    | <b>356</b>                  | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total income administered<br/>on behalf of government</b>   | <b>2,413</b>                | <b>7,909</b>                           | <b>9,075</b>                             | <b>10,257</b>                            | <b>11,456</b>                            |
| <b>EXPENSES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| IDA/ADF grants   | 279,347                     | -                                      | 78,751                                   | -  | 79,382                                   |
| Official Development<br>Assistance Program                     | 2,277,308                   | 2,629,619                              | 2,888,634                                | 3,054,903                                | 3,281,548                                |
| Other - Official Development<br>Assistance Program             | 257,240                     | 238,986                                | 333,594                                  | 351,114                                  | 301,486                                  |
| Depreciation and amortisation                                  | 1,631                       | 1,500                                  | 1,500                                    | 1,500                                    | 1,500                                    |
| Concessional Loan Discount                                     | 76,632                      | 59,500                                 | 59,500                                   | 59,500                                   | 58,094                                   |
| Concessional Investment Discount                               | 272,609                     | -                                      | 275,003                                  | -  | 224,024                                  |
| Write down and impairment of assets                            | 377,318                     | -                                      | -  | -  | -  |
| Other financing costs  | 2,938                       | -                                      | -  | -  | -  |
| <b>Total expenses administered<br/>on behalf of government</b> | <b>3,545,023</b>            | <b>2,929,605</b>                       | <b>3,636,982</b>                         | <b>3,467,017</b>                         | <b>3,946,034</b>                         |

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>            |                             |  |  |  |  |
| <b>Financial assets</b>   |                             |  |  |  |  |
| Cash and cash equivalents   | 11,306                      | 11,269                                 | 11,269                                   | 11,269                                   | 11,269                                   |
| AIPRD loan receivable   | 30,627                      | 51,248                                 | 79,972                                   | 78,130                                   | 90,551                                   |
| IDA/ADF Investments   | 887,015                     | 887,015                                | 927,014                                  | 927,014                                  | 941,138                                  |
| Other receivables   | 12,550                      | 1,279,387                              | 1,469,135                                | 1,283,660                                | 1,548,848                                |
| <b>Total financial assets</b>                                     | <b>941,498</b>              | <b>2,228,919</b>                       | <b>2,487,390</b>                         | <b>2,300,073</b>                         | <b>2,591,806</b>                         |
| <b>Non-financial assets</b>                                       |                             |  |  |  |  |
| Leasehold improvements  | 1,390                       | 1,390                                  | 1,390                                    | 1,390                                    | 1,390                                    |
| Property, plant and equipment                                     | 1,841                       | 1,841                                  | 1,841                                    | 1,841                                    | 1,841                                    |
| Intangibles   | 2,906                       | 2,906                                  | 2,906                                    | 2,906                                    | 2,906                                    |
| Other   | 368                         | 368                                    | 368                                      | 368                                      | 368                                      |
| <b>Total non-financial assets</b>                                 | <b>6,505</b>                | <b>6,505</b>                           | <b>6,505</b>                             | <b>6,505</b>                             | <b>6,505</b>                             |
| <b>Total assets administered<br/>on behalf of government</b>      | <b>948,003</b>              | <b>2,235,424</b>                       | <b>2,493,895</b>                         | <b>2,306,578</b>                         | <b>2,598,311</b>                         |
| <b>LIABILITIES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| <b>Interest bearing liabilities</b>                               |                             |  |  |  |  |
| IDA/ADF Investment payable  | -                           | 875,592                                | 1,028,203                                | 847,291                                  | 1,058,448                                |
| <b>Total interest bearing liabilities</b>                         | <b>-</b>                    | <b>875,592</b>                         | <b>1,028,203</b>                         | <b>847,291</b>                           | <b>1,058,448</b>                         |
| <b>Provisions</b>   |                             |  |  |  |  |
| Other provisions  | 7,888                       | 7,888                                  | 7,888                                    | 7,888                                    | 7,888                                    |
| <b>Total provisions</b>   | <b>7,888</b>                | <b>7,888</b>                           | <b>7,888</b>                             | <b>7,888</b>                             | <b>7,888</b>                             |
| <b>Payables</b>   |                             |  |  |  |  |
| Suppliers   | -                           | 106,931                                | 128,154                                  | 130,812                                  | 130,811                                  |
| Official Development<br>Development Assistance payable            | -                           | 264,368                                | 237,487                                  | 225,911                                  | 215,268                                  |
| IDA/ADF grants payable  | -                           | 258,503                                | 288,898                                  | 236,542                                  | 315,924                                  |
| Grants  | 414,582                     | -                                      | -  | -  | -  |
| Other payables  | 950,803                     | -                                      | -  | -  | -  |
| <b>Total payables</b>   | <b>1,365,385</b>            | <b>629,802</b>                         | <b>654,539</b>                           | <b>593,265</b>                           | <b>662,003</b>                           |
| <b>Total liabilities administered<br/>on behalf of government</b> | <b>1,373,273</b>            | <b>1,513,282</b>                       | <b>1,690,630</b>                         | <b>1,448,444</b>                         | <b>1,728,339</b>                         |

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>  |                             |  |  |  |  |
| <b>Cash received</b>   |                             |  |  |  |  |
| Net GST received   | 61,058                      | 84,436                                 | 92,828                                   | 86,830                                   | 92,758                                   |
| Other  | 1,620                       | 4,538                                  | 4,811                                    | 5,099                                    | 5,405                                    |
| <b>Total cash received</b>   | <b>62,678</b>               | <b>88,974</b>                          | <b>97,639</b>                            | <b>91,929</b>                            | <b>98,163</b>                            |
| <b>Cash used</b>   |                             |  |  |  |  |
| Grant payments   | 437,016                     | 405,430                                | 350,285                                  | 441,733                                  | 261,280                                  |
| Development Assistance program                                       | 2,005,282                   | 2,797,900                              | 2,890,986                                | 3,062,781                                | 3,292,582                                |
| Concessional finance costs   | 352,141                     | -                                      | -  | -  | -  |
| <b>Total cash used</b>   | <b>2,794,439</b>            | <b>3,203,330</b>                       | <b>3,241,271</b>                         | <b>3,504,514</b>                         | <b>3,553,862</b>                         |
| <b>Net cash from or (used by) operating activities</b>               | <b>(2,731,761)</b>          | <b>(3,114,356)</b>                     | <b>(3,143,632)</b>                       | <b>(3,412,585)</b>                       | <b>(3,455,699)</b>                       |
| <b>INVESTING ACTIVITIES</b>  |                             |  |  |  |  |
| <b>Cash received</b>   |                             |  |  |  |  |
| Proceeds from sales of property, plant and equipment and intangibles | 39                          | -                                      | -  | -  | -  |
| <b>Total cash received</b>   | <b>39</b>                   | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Cash used</b>   |                             |  |  |  |  |
| Purchase of property, plant and equipment                            | 1,710                       | 1,856                                  | 1,856                                    | 1,856                                    | 1,856                                    |
| Purchase of concessional financial instruments (IDA/ADF)             | 136,656                     | 131,699                                | 160,331                                  | 169,667                                  | 160,555                                  |
| <b>Total cash used</b>   | <b>138,366</b>              | <b>133,555</b>                         | <b>162,187</b>                           | <b>171,523</b>                           | <b>162,411</b>                           |
| <b>Net cash from or (used by) investing activities</b>               | <b>(138,327)</b>            | <b>(133,555)</b>                       | <b>(162,187)</b>                         | <b>(171,523)</b>                         | <b>(162,411)</b>                         |
| <b>FINANCING ACTIVITIES</b>  |                             |  |  |  |  |
| <b>Cash received</b>   |                             |  |  |  |  |
| Cash from Capital injections   | 56,355                      | 6,252                                  | 318,749                                  | 3,830                                    | 242,058                                  |
| <b>Total cash received</b>   | <b>56,355</b>               | <b>6,252</b>                           | <b>318,749</b>                           | <b>3,830</b>                             | <b>242,058</b>                           |
| <b>Cash used</b>   |                             |  |  |  |  |
| Net repayment of borrowings  | 14,312                      | -                                      | -  | -  | -  |
| Cash to Official Public Account                                      | 59,627                      | 4,538                                  | 4,811                                    | 5,099                                    | 5,405                                    |
| <b>Total cash used</b>   | <b>59,627</b>               | <b>4,538</b>                           | <b>4,811</b>                             | <b>5,099</b>                             | <b>5,405</b>                             |
| <b>Net cash from or (used by) financing activities</b>               | <b>(2,870,088)</b>          | <b>(3,247,911)</b>                     | <b>(3,305,819)</b>                       | <b>(3,584,108)</b>                       | <b>(3,618,110)</b>                       |
| <b>Net increase or (decrease) in cash held</b>                       |                             |  |  |  |  |
| Cash at beginning of reporting period                                | 5,751                       | 11,306                                 | 11,306                                   | 11,306                                   | 11,306                                   |
| Cash from Official Public Account for:                               |                             |  |  |  |  |
| - appropriations   | 2,893,227                   | 2,843,957                              | 3,063,233                                | 3,315,862                                | 3,531,115                                |
| - special accounts   | -                           | 132,094                                | 75,000                                   | 75,000                                   | 73,345                                   |
| <b>Cash at end of reporting period</b>                               | <b>11,306</b>               | <b>11,306</b>                          | <b>11,306</b>                            | <b>11,306</b>                            | <b>11,306</b>                            |

Prepared on Australian Accounting Standards basis.

**Table 3.2.11: Schedule of Administered Capital Budget**

|                                     | Actual         | Revised<br>budget | Forward<br>estimate | Forward<br>estimate | Forward<br>estimate |
|-------------------------------------|----------------|-------------------|---------------------|---------------------|---------------------|
|                                     | 2008-09        | 2009-10           | 2010-11             | 2011-12             | 2012-13             |
|                                     | \$'000         | \$'000            | \$'000              | \$'000              | \$'000              |
| <b>CAPITAL APPROPRIATIONS</b>       |                |                   |                     |                     |                     |
| Administered assets                 | 260,547        | 6,252             | 318,749             | 3,830               | 242,058             |
| <b>Total capital appropriations</b> | <b>260,547</b> | <b>6,252</b>      | <b>318,749</b>      | <b>3,830</b>        | <b>242,058</b>      |
| <b>Represented by:</b>              |                |                   |                     |                     |                     |
| Purchase of non-financial assets    |                |                   |                     |                     |                     |
| Other                               | 260,547        | 6,252             | 318,749             | 3,830               | 242,058             |
| <b>Total represented by</b>         | <b>260,547</b> | <b>6,252</b>      | <b>318,749</b>      | <b>3,830</b>        | <b>242,058</b>      |
| <b>TOTAL</b>                        | <b>260,547</b> | <b>6,252</b>      | <b>318,749</b>      | <b>3,830</b>        | <b>242,058</b>      |

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight review.

Prepared on Australian Accounting Standards basis.

**Table 3.2.12: Statement of Administered Asset Movements (2009-10)**

|  | Buildings    | Other<br>infrastructure,<br>plant and<br>equipment | Intangibles  | Total        |
|--|--------------|--|--------------|--------------|
|  | \$'000       | \$'000   | \$'000       | \$'000       |
| <b>As at 1 July 2009</b>   |              |  |              |              |
| Gross book value   | 1,435        | 4,295  | 3,224        | 12,994       |
| Accumulated depreciation/amortisation  | (45)         | (2,454)  | (318)        | (3,783)      |
| <b>Opening net book balance</b>  | <b>1,390</b> | <b>1,841</b>                                       | <b>2,906</b> | <b>9,211</b> |
| <b>CAPITAL ASSET ADDITIONS</b>   |              |  |              |              |
| <b>Estimated expenditure on<br/>new or replacement assets</b>                        |              |  |              |              |
| By purchase or internally developed  | 461          | 805  | 590          | 1,856        |
| <b>Acquisition of entities or operations<br/>(including restructuring) sub-total</b> | <b>-</b>     | <b>-</b>   | <b>-</b>     | <b>-</b>     |
| <b>Other movements</b>   |              |  |              |              |
| Depreciation/amortisation expense  | (461)        | (805)  | (590)        | (1,856)      |
| <b>As at 30 June 2010</b>  |              |  |              |              |
| Gross book value   | 1,896        | 5,100  | 3,814        | 10,810       |
| Accumulated depreciation/amortisation  | (506)        | (3,259)  | (908)        | (4,673)      |
| <b>Closing net book balance</b>  | <b>1,390</b> | <b>1,841</b>                                       | <b>2,906</b> | <b>6,137</b> |

Prepared on Australian Accounting Standards basis.



# AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

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# **AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)**

## **Section 1: Agency overview and resources**

### **1.1 STRATEGIC DIRECTION**

A full outline of ACIAR's strategic direction can be found in the *2009-10 Portfolio Budget Statements*. ACIAR's role, outcome, program, deliverables and key performance indicators remain unchanged as a result of Additional Estimates.

Through Additional Estimates, the Government will fund the development and implementation of a multi-year project for agricultural research in Africa. This will progress the implementation of the second initiative under ACIAR's Program 1: International Agricultural Research and Development – delivering key elements of the *Overseas Development Assistance – Food Security Through Rural Development* initiative which includes a strong focus on Africa.

### **1.2 AGENCY RESOURCE STATEMENT**

The Agency Resource Statement details the resourcing for ACIAR at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2009-10 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: ACIAR resource statement – Additional estimates for 2009-10 as at Additional Estimates November 2009**

|  | Estimate as<br>at Budget <sup>1</sup> | Proposed<br>Additional<br>Estimates <sup>2</sup> | Total<br>estimate<br>at Additional<br>Estimates | Total<br>available<br>appropriation |
|--|---------------------------------------|--|---|-------------------------------------|
|  | 2009-10<br>\$'000                     | 2009-10<br>\$'000                                | 2009-10<br>\$'000                               | 2008-09<br>\$'000                   |
| <b>Ordinary annual services<sup>1</sup></b>  |                                       |  |   |                                     |
| <b>Departmental appropriation</b>  |                                       |  |   |                                     |
| Departmental appropriation   | 9,808                                 | -  | 9,808   | 52,333                              |
| <b>Total</b>   | <b>9,808</b>                          | <b>-</b>   | <b>9,808</b>                                    | <b>52,333</b>                       |
| <b>Administered expenses</b>   |                                       |  |   |                                     |
| Outcome 1  | 53,831                                | 250  | 54,081  | -                                   |
| <b>Total</b>   | <b>53,831</b>                         | <b>250</b>                                       | <b>54,081</b>                                   | <b>-</b>                            |
| <b>Total ordinary annual services</b>  | <b>63,639</b>                         | <b>250</b>                                       | <b>63,889</b>                                   | <b>52,333</b>                       |
| <b>Total available annual appropriations</b>   | <b>63,639</b>                         | <b>250</b>                                       | <b>63,889</b>                                   | <b>52,333</b>                       |
| <b>Special accounts</b>  |                                       |  |   |                                     |
| Opening balance <sup>2</sup>   | 4,938                                 | -  | 4,938   | 3,476                               |
| Non-appropriation receipts to  |                                       |  |   |                                     |
| Special accounts   | 12,589                                | -  | 12,589  | 17,926                              |
| <b>Total special account</b>   | <b>17,527</b>                         | <b>-</b>   | <b>17,527</b>                                   | <b>21,402</b>                       |
| <b>Total resourcing</b>  | <b>81,166</b>                         | <b>250</b>                                       | <b>81,416</b>                                   | <b>73,735</b>                       |
| Less appropriations drawn from<br>annual or special appropriations above<br>and credited to special accounts<br>and/or CAC Act bodies through<br>annual appropriations | -                                     | -  | -   | -                                   |
| <b>Total net resourcing for ACIAR</b>  | <b>81,166</b>                         | <b>250</b>                                       | <b>81,416</b>                                   | <b>73,735</b>                       |

Notes:

1. Appropriation Bill (No.1) 2009-10
2. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.3.

All figures are GST exclusive.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 ordinarily summarises new Government measures agreed since the 2009-10 Budget. The table is split into revenue, expense and capital measures, with the affected program identified. ACIAR has no new measures agreed since the 2009-10 Budget.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following table details the changes to the resourcing for ACIAR at Additional Estimates, by outcome. Table 1.4 details Additional Estimates or variations through factors other than new measures taken since the 2009-10 Budget, such as parameter adjustments.

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

|   | Program impacted | 2009-10<br>(\$'000) | 2010-11<br>(\$'000) | 2011-12<br>(\$'000) | 2012-13<br>(\$'000) |
|---|------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Outcome 1</b>  |                  |                     |                     |                     |                     |
| Increase in estimates (administered)  |                  |                     |                     |                     |                     |
| Transfer of funds from AusAID -<br>Food Security Through Rural<br>Development | 1                | 250                 | 750                 | 7,250               | 10,270              |
| Parameter updates   | 1                | -                   | 319                 | 533                 | 544                 |
| Net impact on estimates<br>for Outcome 1 (administered)                       |                  | 250                 | 1,069               | 7,783               | 10,814              |
| Decrease in estimates (departmental)  |                  |                     |                     |                     |                     |
| Parameter updates   | 1                | -                   | (36)                | (61)                | (70)                |
| Net impact on estimates<br>for Outcome 1 (departmental)                       |                  | -                   | (36)                | (61)                | (70)                |

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the Additional Estimates sought for ACIAR through Appropriation Bills No.3.

**Table 1.5: Appropriation Bill (No. 3) 2009-10**

|   | 2008-09<br>Available<br>(\$'000) | 2009-10<br>Budget<br>(\$'000) | 2009-10<br>Revised<br>(\$'000) | Additional<br>Estimates<br>(\$'000) | Reduced<br>Estimates<br>(\$'000) |
|---|----------------------------------|-------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| <b>ADMINISTERED ITEMS</b>   |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>  |                                  |                               |                                |                                     |                                  |
| Outcome 1 - International<br>Agricultural Research and<br>Development | -                                | 53,831                        | 54,081                         | 250                                 | -                                |
| <b>Total</b>  | -                                | 53,831                        | 54,081                         | 250                                 | -                                |
| <b>DEPARTMENTAL PROGRAMS</b>  |                                  |                               |                                |                                     |                                  |
| <b>Outcome 1</b>  |                                  |                               |                                |                                     |                                  |
| Outcome 1 - International<br>Agricultural Research and<br>Development | 52,333                           | 9,808                         | 9,808                          | -                                   | -                                |
| <b>Total</b>  | 52,333                           | 9,808                         | 9,808                          | -                                   | -                                |
| <b>Total administered and<br/>departmental</b>                        | 52,333                           | 63,639                        | 63,889                         | 250                                 | -                                |

## Section 2: Revisions to agency resources and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The outcome framework for ACIAR remains unchanged to that reported in the 2009-10 *Portfolio Budget Statements*.

#### **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***

The outcome strategy for ACIAR remains unchanged to that reported in the 2009-10 *Portfolio Budget Statements*.

There is a slight increase in ACIAR's administered expenses of \$0.25m for 2009-10. This represents a transfer of funds from AusAID for the Overseas Development Assistance – Food Security Through Rural Development initiative. Refer Table 1.4 for full details.

**Table 2.1 Budgeted Expenses and Resources for Outcome 1**

| <b>Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems</b> | <b>2008-09<br/>Actual<br/>expenses<br/>\$'000</b> | <b>2009-10<br/>Revised<br/>estimated<br/>expenses<br/>\$'000</b> |
|--|---|--|
| <b>Program 1: International Agricultural Research and Development</b>  |   |  |
| Administered expenses  |   |  |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | -   | 54,081   |
| Special accounts   | -   | 12,589   |
| Departmental expenses  |   |  |
| Ordinary annual services (Appropriation Bill No. 1 & 3)  | 52,265  | 9,808  |
| Revenues from independent sources (section 31)   | 124   | 50   |
| Special accounts   | 16,006  | -  |
| Expenses not requiring appropriation in the Budget year  | 21  | 24   |
| <b>Total for Program 1</b>   | <b>68,416</b>                                     | <b>76,552</b>  |
| <b>Total expenses for Outcome 1</b>  | <b>68,416</b>                                     | <b>76,552</b>  |
|  | 2008-09   | 2009-10  |
| <b>Average Staffing Level (number)</b>   | <b>65</b>   | <b>65</b>  |

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by ACIAR. The corresponding table in the *2009-10 Portfolio Budget Statements* is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

|   |         | Opening<br>balance<br><b>2009-10</b><br><i>2008-09</i> | Receipts<br><b>2009-10</b><br><i>2008-09</i> | Payments<br><b>2009-10</b><br><i>2008-09</i> | Adjustments<br><b>2009-10</b><br><i>2008-09</i> | Closing<br>balance<br><b>2009-10</b><br><i>2008-09</i> |
|---|---------|--|--|--|---|--|
|   | Outcome | \$'000   | \$'000                                       | \$'000                                       | \$'000  | \$'000   |
| Australian Centre for<br>International Agricultural<br>Research Account (A) | 1       | 4,938  | 12,589                                       | 12,589                                       | -   | 4,938  |
| Other Trust Moneys Account (D)  |         | -  | -  | -  | -   | -  |
| <b>Total special accounts<br/>2009-10 Budget estimate</b>                   |         | <b>4,938</b>   | <b>12,589</b>                                | <b>12,589</b>                                | <b>-</b>  | <b>4,938</b>   |
| Total special accounts<br>2008-09 estimate actual                           |         | 3,476  | 17,926                                       | 16,464                                       | -   | 4,938  |

Notes:

(A) = Administered

(D) = Departmental

The ACIAR Special Account was reclassified as “Administered” from 1 July 2009.

The Services for Other Government and Non-Agency Bodies Account (reported in the *Portfolio Budget Statements 2009-10*) was officially abolished on 3 September 2009.



## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

These statements provide actual results for 2008-09 and revised Budget for 2009-10 and forward years.

### **3.2.2 Budgeted financial statements**

#### **Departmental financial statements**

There are no changes to ACIAR's departmental financial statements in Additional Estimates for 2009-10. The forward years show a slight reduction in funding following the application of parameter updates.

**Table 3.2.1: Budgeted departmental Comprehensive Income Statement  
(Showing Net Cost of Services)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>EXPENSES</b>  |                             |  |  |  |  |
| Employee benefits  | 5,889                       | <b>5,850</b>                           | 5,900                                    | 5,950                                    | 6,000                                    |
| Supplier   | 3,101                       | <b>3,727</b>                           | 3,684                                    | 3,439                                    | 3,447                                    |
| Grants   | 48,900                      | -                                      | -  | -  | -  |
| Depreciation and amortisation  | 299                         | <b>295</b>                             | 295                                      | 325                                      | 325                                      |
| Losses from asset sales  | 11                          | <b>10</b>                              | 10                                       | 10                                       | 10                                       |
| Other  | 10,216                      | -                                      | -  | -  | -  |
| <b>Total expenses</b>  | <b>68,416</b>               | <b>9,882</b>                           | <b>9,889</b>                             | <b>9,724</b>                             | <b>9,782</b>                             |
| <b>LESS:</b>   |                             |  |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| Sale of goods and rendering of services                                | 12                          | <b>10</b>                              | 10                                       | 10                                       | 10                                       |
| Other revenue  | 16,118                      | <b>40</b>                              | 40                                       | 40                                       | 40                                       |
| <b>Total revenue</b>   | <b>16,130</b>               | <b>50</b>                              | <b>50</b>                                | <b>50</b>                                | <b>50</b>                                |
| <b>Gains</b>   |                             |  |  |  |  |
| Sale of assets   |                             |  |  |  |  |
| Other gains  | 21                          | <b>24</b>                              | 24                                       | 24                                       | 24                                       |
| <b>Total gains</b>   | <b>21</b>                   | <b>24</b>                              | <b>24</b>                                | <b>24</b>                                | <b>24</b>                                |
| <b>Total own-source income</b>   | <b>16,151</b>               | <b>74</b>                              | <b>74</b>                                | <b>74</b>                                | <b>74</b>                                |
| <b>Net cost of (contribution by)<br/>services</b>                      | <b>52,265</b>               | <b>9,808</b>                           | <b>9,815</b>                             | <b>9,650</b>                             | <b>9,708</b>                             |
| Appropriation revenue  | 52,333                      | <b>9,808</b>                           | 9,815                                    | 9,650                                    | 9,708                                    |
| <b>Surplus (Deficit)</b>   | <b>68</b>                   | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Surplus (Deficit) attributable to<br/>the Australian Government</b> | <b>68</b>                   | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |

Prepared on Australian Accounting Standards basis.

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

|   | Actual       | Revised<br>budget | Forward<br>estimate | Forward<br>estimate | Forward<br>estimate |
|---|--------------|-------------------|---------------------|---------------------|---------------------|
|   | 2008-09      | 2009-10           | 2010-11             | 2011-12             | 2012-13             |
|   | \$'000       | \$'000            | \$'000              | \$'000              | \$'000              |
| <b>ASSETS</b>                                 |              |                   |                     |                     |                     |
| <b>Financial assets</b>                       |              |                   |                     |                     |                     |
| Cash and equivalents                          | 5,135        | 200               | 200                 | 200                 | 200                 |
| Trade and other receivables                   | 3,776        | 1,258             | 1,308               | 1,358               | 1,408               |
| <b>Total financial assets</b>                 | <b>8,911</b> | <b>1,458</b>      | <b>1,508</b>        | <b>1,558</b>        | <b>1,608</b>        |
| <b>Non-financial assets</b>                   |              |                   |                     |                     |                     |
| Land and buildings                            | 313          | 400               | 400                 | 704                 | 704                 |
| Infrastructure, plant and equipment           | 236          | 310               | 310                 | 310                 | 310                 |
| Intangibles                                   | 126          | 170               | 170                 | 170                 | 170                 |
| Other   | 228          | 150               | 150                 | 150                 | 150                 |
| <b>Total non-financial assets</b>             | <b>903</b>   | <b>1,030</b>      | <b>1,030</b>        | <b>1,334</b>        | <b>1,334</b>        |
| <b>Total assets</b>                           | <b>9,814</b> | <b>2,488</b>      | <b>2,538</b>        | <b>2,892</b>        | <b>2,942</b>        |
| <b>LIABILITIES</b>                            |              |                   |                     |                     |                     |
| <b>Provisions</b>                             |              |                   |                     |                     |                     |
| Employees                                     | 1,057        | 1,250             | 1,300               | 1,350               | 1,400               |
| <b>Total provisions</b>                       | <b>1,057</b> | <b>1,250</b>      | <b>1,300</b>        | <b>1,350</b>        | <b>1,400</b>        |
| <b>Payables</b>                               |              |                   |                     |                     |                     |
| Suppliers                                     | 124          | 236               | 236                 | 236                 | 236                 |
| Grants  | 1,864        | -                 | -                   | -                   | -                   |
| Other   | 5,767        | -                 | -                   | -                   | -                   |
| <b>Total payables</b>                         | <b>7,755</b> | <b>236</b>        | <b>236</b>          | <b>236</b>          | <b>236</b>          |
| <b>Total liabilities</b>                      | <b>8,812</b> | <b>1,486</b>      | <b>1,536</b>        | <b>1,586</b>        | <b>1,636</b>        |
| <b>Net assets</b>                             | <b>1,002</b> | <b>1,002</b>      | <b>1,002</b>        | <b>1,306</b>        | <b>1,306</b>        |
| <b>EQUITY*</b>                                |              |                   |                     |                     |                     |
| <b>Parent entity interest</b>                 |              |                   |                     |                     |                     |
| Contributed equity                            | -            | -                 | -                   | 304                 | 304                 |
| Reserves                                      | 325          | 325               | 325                 | 325                 | 325                 |
| Retained surpluses or<br>accumulated deficits | 677          | 677               | 677                 | 677                 | 677                 |
| <b>Total equity</b>                           | <b>1,002</b> | <b>1,002</b>      | <b>1,002</b>        | <b>1,306</b>        | <b>1,306</b>        |
| <b>Current assets</b>                         | <b>9,140</b> | <b>1,608</b>      | <b>1,658</b>        | <b>1,708</b>        | <b>1,758</b>        |
| <b>Non-current assets</b>                     | <b>674</b>   | <b>880</b>        | <b>880</b>          | <b>1,184</b>        | <b>1,184</b>        |
| <b>Current liabilities</b>                    | <b>8,708</b> | <b>1,376</b>      | <b>1,416</b>        | <b>1,456</b>        | <b>1,496</b>        |
| <b>Non-current liabilities</b>                | <b>104</b>   | <b>110</b>        | <b>120</b>          | <b>130</b>          | <b>140</b>          |

Note:

\* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Cash received</b>                                   |                             |  |  |  |  |
| Goods and services                                     | 11                          | 15                                     | 15                                       | 15                                       | 15                                       |
| Appropriations   | 51,766                      | 9,808                                  | 9,815                                    | 9,650                                    | 9,708                                    |
| External funds   | 17,976                      | -                                      | -  | -  | -  |
| Other cash received                                    | 3,341                       | 350                                    | 350                                      | 350                                      | 350                                      |
| <b>Total cash received</b>                             | <b>73,094</b>               | <b>10,173</b>                          | <b>10,180</b>                            | <b>10,015</b>                            | <b>10,073</b>                            |
| <b>Cash used</b>                                       |                             |  |  |  |  |
| Employees  | 5,701                       | 5,800                                  | 5,850                                    | 5,900                                    | 5,950                                    |
| Suppliers  | 3,609                       | 4,088                                  | 4,045                                    | 3,800                                    | 3,808                                    |
| Grants   | 52,657                      | -                                      | -  | -  | -  |
| Other program expenditure                              | 9,793                       | -                                      | -  | -  | -  |
| <b>Total cash used</b>                                 | <b>71,760</b>               | <b>9,888</b>                           | <b>9,895</b>                             | <b>9,700</b>                             | <b>9,758</b>                             |
| <b>Net cash from or (used by) operating activities</b> | <b>1,334</b>                | <b>285</b>                             | <b>285</b>                               | <b>315</b>                               | <b>315</b>                               |
| <b>INVESTING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Cash received</b>                                   |                             |  |  |  |  |
| Proceeds from sales of property, plant and equipment   | 6                           | 10                                     | 10                                       | 10                                       | 10                                       |
| <b>Total cash received</b>                             | <b>6</b>                    | <b>10</b>                              | <b>10</b>                                | <b>10</b>                                | <b>10</b>                                |
| <b>Cash used</b>                                       |                             |  |  |  |  |
| Purchase of property, plant and equipment              | 142                         | 295                                    | 295                                      | 629                                      | 325                                      |
| <b>Total cash used</b>                                 | <b>142</b>                  | <b>295</b>                             | <b>295</b>                               | <b>629</b>                               | <b>325</b>                               |
| <b>Net cash from or (used by) investing activities</b> | <b>(136)</b>                | <b>(285)</b>                           | <b>(285)</b>                             | <b>(619)</b>                             | <b>(315)</b>                             |
| <b>FINANCING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Cash received</b>                                   |                             |  |  |  |  |
| Appropriations - contributed equity                    | -                           | -                                      | -  | 304                                      | -  |
| <b>Total cash received</b>                             | <b>-</b>                    | <b>-</b>                               | <b>-</b>                                 | <b>304</b>                               | <b>-</b>                                 |
| <b>Net cash from or (used by) financing activities</b> | <b>-</b>                    | <b>-</b>                               | <b>-</b>                                 | <b>304</b>                               | <b>-</b>                                 |
| <b>Net increase or (decrease) in cash held</b>         | <b>1,198</b>                | <b>-</b>                               | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| Cash at the beginning of the reporting period          | 3,937                       | 200                                    | 200                                      | 200                                      | 200                                      |
| <b>Cash at the end of the reporting period</b>         | <b>5,135</b>                | <b>200</b>                             | <b>200</b>                               | <b>200</b>                               | <b>200</b>                               |

Prepared on Australian Accounting Standards basis.

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

|  | Retained earnings | Asset revaluation reserve | Other reserves | Contributed equity/capital | Total equity |
|--|-------------------|---------------------------|----------------|----------------------------|--------------|
|  | \$'000            | \$'000                    | \$'000         | \$'000                     | \$'000       |
| <b>Opening balance as at 1 July 2009</b>                       |                   |                           |                |                            |              |
| Balance carried forward from previous period                   | 677               | 325                       | -              | -                          | 1,002        |
| <b>Adjusted opening balance</b>                                | 677               | 325                       | -              | -                          | 1,002        |
| <b>Total income and expenses recognised directly in equity</b> | -                 | -                         | -              | -                          | -            |
| <b>Estimated closing balance as at 30 June 2010</b>            | <b>677</b>        | <b>325</b>                | <b>-</b>       | <b>-</b>                   | <b>1,002</b> |

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement - Departmental**

|  | Actual<br>2008-09<br>\$'000 | Revised budget<br>2009-10<br>\$'000 | Forward estimate<br>2010-11<br>\$'000 | Forward estimate<br>2011-12<br>\$'000 | Forward estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>CAPITAL APPROPRIATIONS</b>                              |                             |                                     |                                       |                                       |                                       |
| Total equity injections                                    | -                           | -                                   | -                                     | 304                                   | -                                     |
| <b>Total capital appropriations</b>                        | -                           | -                                   | -                                     | 304                                   | -                                     |
| <b>Represented by:</b>                                     |                             |                                     |                                       |                                       |                                       |
| Purchase of non-financial assets                           | -                           | -                                   | -                                     | 304                                   | -                                     |
| <b>Total represented by</b>                                | -                           | -                                   | -                                     | 304                                   | -                                     |
| <b>ACQUISITION OF NON-FINANCIAL ASSETS</b>                 |                             |                                     |                                       |                                       |                                       |
| Funded by capital appropriations                           | -                           | -                                   | -                                     | 304                                   | -                                     |
| Funded internally from departmental resources <sup>1</sup> | 142                         | 295                                 | 325                                   | 325                                   | 325                                   |
| <b>TOTAL</b>   | <b>142</b>                  | <b>295</b>                          | <b>325</b>                            | <b>629</b>                            | <b>325</b>                            |

Note:

1. Includes the following sources of funding:
  - annual and prior year appropriations;
  - donations and contributions;
  - gifts;
  - finance leases;
  - internally developed receipts;
  - s31 relevant agency receipts; and
  - proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of Asset Movements (2009-10)**

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

Note:

The numbers in this table are subject to review under the Government's net cash framework as part of the Operation Sunlight Review.

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity**

There is a slight increase in funding in 2009-10 of \$0.250m resulting from a transfer of funds from AusAID to implement Africa components of the *Overseas Development Assistance – Food Security Through Rural Development* initiative.

**Table 3.2.8: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>INCOME ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>         |                             |  |  |  |  |
| <b>Revenue</b>   |                             |  |  |  |  |
| <b>Non-taxation</b>  |                             |  |  |  |  |
| Other sources of non-taxation<br>revenues                      | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>Total non-taxation</b>                                      | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>Total revenues administered<br/>on behalf of government</b> | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>Total gains administered<br/>on behalf of government</b>    | -                           | -                                      | -  | -  | -  |
| <b>Total income administered<br/>on behalf of government</b>   | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>EXPENSES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| Grants   | -                           | 59,189                                 | 61,272                                   | 71,795                                   | 73,233                                   |
| Other  | -                           | 7,481                                  | 4,481                                    | 4,481                                    | 4,481                                    |
| <b>Total expenses administered<br/>on behalf of government</b> | -                           | 66,670                                 | 65,753                                   | 76,276                                   | 77,714                                   |

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

|   | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|---|-----------------------------|--|--|--|--|
| <b>ASSETS ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>            |                             |  |  |  |  |
| <b>Financial assets</b>   |                             |  |  |  |  |
| Cash and cash equivalents   | -                           | 4,938                                  | 4,938                                    | 4,938                                    | -  |
| Receivables   | -                           | 100                                    | 100                                      | 100                                      | 100                                      |
| <b>Total financial assets</b>                                     | -                           | 5,038                                  | 5,038                                    | 5,038                                    | 100                                      |
| <b>Total assets administered<br/>on behalf of government</b>      | -                           | 5,038                                  | 5,038                                    | 5,038                                    | 100                                      |
| <b>LIABILITIES ADMINISTERED ON<br/>BEHALF OF GOVERNMENT</b>       |                             |  |  |  |  |
| <b>Payables</b>   |                             |  |  |  |  |
| Grants  | -                           | 100                                    | 100                                      | 100                                      | 100                                      |
| Other payables  | -                           | 4,938                                  | 4,938                                    | 4,938                                    | -  |
| <b>Total payables</b>   | -                           | 5,038                                  | 5,038                                    | 5,038                                    | 100                                      |
| <b>Total liabilities administered<br/>on behalf of government</b> | -                           | 5,038                                  | 5,038                                    | 5,038                                    | 100                                      |

Prepared on Australian Accounting Standards basis.



**Table 3.2.10: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|  | Actual<br>2008-09<br>\$'000 | Revised<br>budget<br>2009-10<br>\$'000 | Forward<br>estimate<br>2010-11<br>\$'000 | Forward<br>estimate<br>2011-12<br>\$'000 | Forward<br>estimate<br>2012-13<br>\$'000 |
|--|-----------------------------|--|--|--|--|
| <b>OPERATING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Cash received</b>                                   |                             |  |  |  |  |
| Grants received  | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>Total cash received</b>                             | -                           | 12,589                                 | 5,505                                    | 4,052                                    | -  |
| <b>Cash used</b>                                       |                             |  |  |  |  |
| Grant payments   | -                           | 60,765                                 | 61,272                                   | 71,795                                   | 78,171                                   |
| Other  | -                           | 5,905                                  | 4,481                                    | 4,481                                    | 4,481                                    |
| <b>Total cash used</b>                                 | -                           | 66,670                                 | 65,753                                   | 76,276                                   | 82,652                                   |
| <b>Net cash from or (used by) operating activities</b> | -                           | (54,081)                               | (60,248)                                 | (72,224)                                 | (82,652)                                 |
| <b>INVESTING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Net cash from or (used by) investing activities</b> | -                           | -                                      | -  | -  | -  |
| <b>FINANCING ACTIVITIES</b>                            |                             |  |  |  |  |
| <b>Cash received</b>                                   |                             |  |  |  |  |
| Cash from Official Public Account                      | -                           | 54,081                                 | 60,248                                   | 72,224                                   | 77,714                                   |
| <b>Total cash received</b>                             | -                           | 54,081                                 | 60,248                                   | 72,224                                   | 77,714                                   |
| <b>Net cash from or (used by) financing activities</b> | -                           | 54,081                                 | 60,248                                   | 72,224                                   | 77,714                                   |
| <b>Net increase or (decrease) in cash held</b>         | -                           | -                                      | -  | -  | (4,938)                                  |
| Cash at beginning of reporting period                  | -                           | 4,938                                  | 4,938                                    | 4,938                                    | 4,938                                    |
| <b>Cash at end of reporting period</b>                 | -                           | 4,938                                  | 4,938                                    | 4,938                                    | -  |

Prepared on Australian Accounting Standards basis.

### **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**

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**

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.

## 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. |

*Portfolio Glossary*

|                          |  |
|--------------------------|--|
| 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 ( <i>Financial Management and Accountability (FMA) Act 1997</i> , 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.  |