

**PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS 2010-11**

FOREIGN AFFAIRS AND TRADE PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2010-11



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The document must be attributed as the *Portfolio Additional Estimates Statements 2010-11 – Foreign Affairs and Trade Portfolio*.

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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 2010-11 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

A handwritten signature in blue ink, appearing to read "Kevin Rudd".

Kevin Rudd  
Minister for Foreign Affairs

A handwritten signature in blue ink, appearing to read "Craig Emerson".

Craig Emerson  
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nfp	not for publication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 Financial Officer in the 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) 2010-11. 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 2010-11* 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.



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# PORTFOLIO OVERVIEW



## PORTFOLIO OVERVIEW

A full outline of the Foreign Affairs and Trade Portfolio Overview can be found in the *2010-11 Portfolio Budget Statements*.

Following the August 2010 election, the Minister for Foreign Affairs and the Minister for Trade remain the two portfolio Ministers. A Parliamentary Secretary for Pacific Island Affairs and a Parliamentary Secretary for Trade were appointed.

Effective as of 8 July 2010, the Government established AusAID as an Executive Agency.

### ADDITIONAL ESTIMATES AND VARIATIONS – PORTFOLIO LEVEL

The portfolio is seeking a net increase of \$527.8 million in resourcing for 2010-11 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.

The Foreign Affairs and Trade portfolio will provide savings totalling \$45.5 million over the forward estimates. Details of the savings measures will be provided in the *2011-12 Portfolio Budget Statements*.

#### Department of Foreign Affairs and Trade (DFAT) \$4.1 million

##### Departmental Items

- \$1.164m funding as part of a cross-portfolio package on international legal action against Japan over its whaling in the Southern Ocean;
- \$1.479m for Australia's engagement with Afghanistan;
- (\$0.074m) for Australia's contributions to international organisations;
- (\$24.647m) in adjustments for foreign exchange movements;
- \$2.919m in adjustments for overseas inflation;
- \$18.155m in adjustments to passport funding due to a higher than expected number of passport issues in 2009-10; and
- \$5.116m to correct previous passport funds.

#### Australian Trade Commission (Austrade)

There are no additional measures or variations for Austrade.

#### Australian Agency for International Development (AusAID) \$523.7 million

##### Departmental Items

- \$39.8m for a revised administered and departmental framework.

## *Portfolio Overview*

### Administered Items

- \$20m for Australia's contribution to the Global Fund to fight AIDS, tuberculosis and malaria;
- \$35m for Australia's contribution to the Global Agriculture and Food Security Program;
- \$0.337m to fund an Australian Civilian Corp deployment to Haiti;
- \$45.4m for Australia's contribution to the fifth replenishment of the Global Environment Facility;
- \$329.9m for Australia's contribution to the sixteenth replenishment of the International Development Association;
- \$71.9m for Australia's contributions to international debt relief;
- \$12.225m for Australia's contribution to the International Rice Research Institute;
- \$10m to the World Bank Palestinian Reform and Development Plan Trust; and
- (\$40.855m) in revised administered and departmental framework.

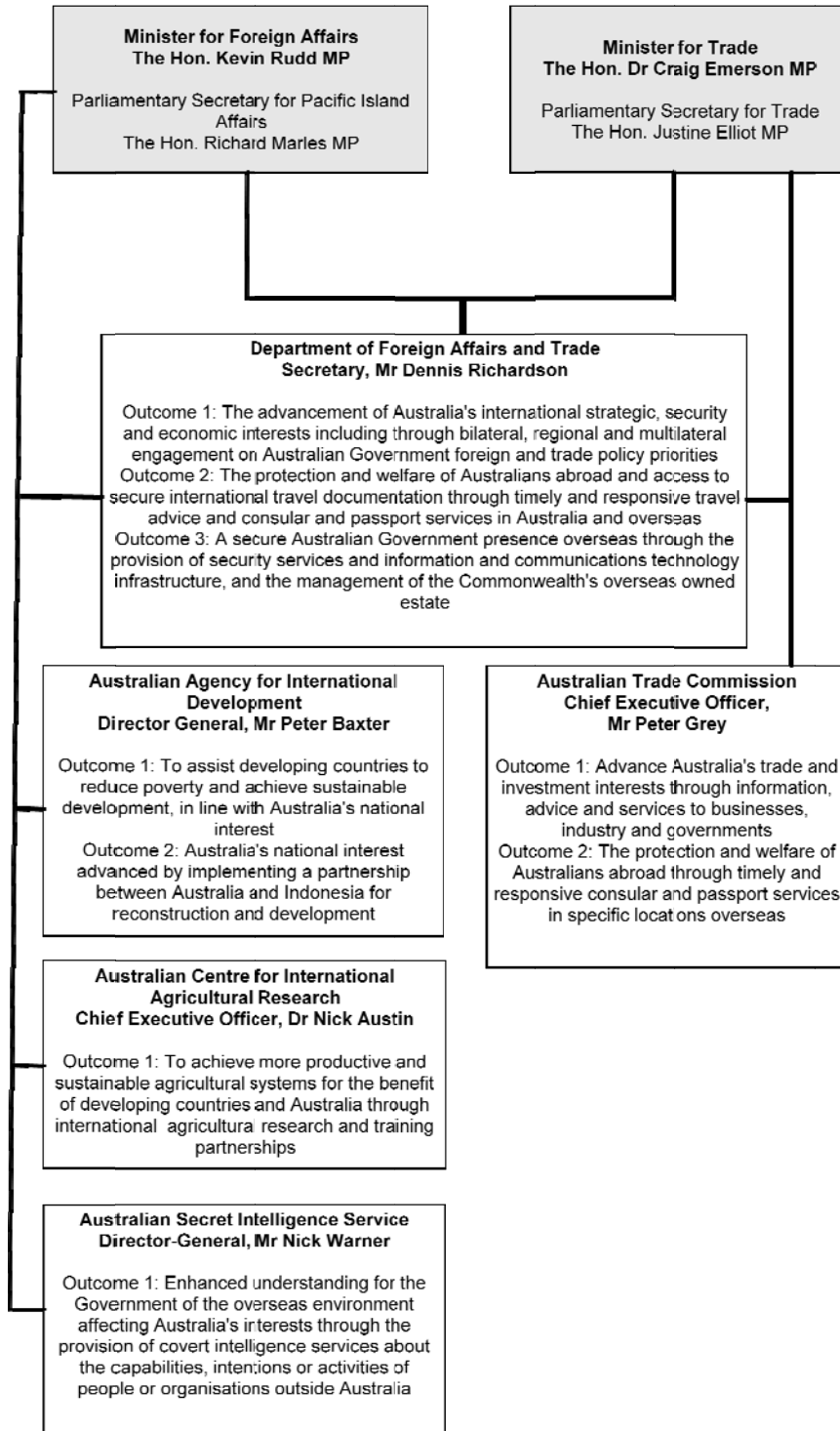
### **Australian Centre for International Agricultural Research (ACIAR)**

There are no additional measures or variations for ACIAR.

### **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 for those agencies reporting in the Portfolio Additional Estimates Statements the additional resources provided to the portfolio in the 2010-11 budget year, by agency.

**Table 1: Portfolio resources 2010-11**

	Appropriation		Special	Receipts	Total
	Bill No. 3	Bill No. 4			
	\$m	\$m	\$m	\$m	\$m
<b>Department of Foreign Affairs and Trade</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	3.6	0.5	-	-	4.1
<b>Total:</b>	<b>3.6</b>	<b>0.5</b>			<b>4.1</b>
<b>Australian Trade Commission</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	-	-	-
<b>Total:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Australian Agency for International Development</b>					
Administered appropriations	249.1	234.8	-	-	483.9
Departmental appropriations	39.8	-	-	-	39.8
<b>Total:</b>	<b>288.9</b>	<b>234.8</b>			<b>523.7</b>
<b>Australian Centre of International Agricultural Research</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	-	-	-
<b>Total:</b>	<b>-</b>	<b>-</b>			<b>-</b>
<b>Portfolio total</b>					<b>527.8</b>
Less amounts transferred within portfolio	-	-	-	-	-
<b>Resources available within portfolio:</b>					<b>527.8</b>



# **AGENCY ADDITIONAL ESTIMATES STATEMENTS**

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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 *2010-11 Portfolio Budget Statements*, the Government has agreed to fund further foreign and trade policy initiatives, which will be delivered by the Department.

On 31 May 2010 the Government initiated legal action against Japan in the International Court of Justice. The purpose of the action is to seek to bring an end to Japan's whaling in the Southern Ocean. The Government has agreed to provide funding to the Department to assist with the careful and thorough preparation of the case so as to maximise prospects of success.

The Government has agreed to provide funding on a 'no-win, no-loss' basis for an additional measure on Afghan detainee management over a two-year period (2010-2012). This supports whole-of-government efforts to promote stability in Afghanistan.

Australia's participation in the Asia-Europe Meeting (ASEM), which took effect from 4 October 2010, brought with it an expectation that Australia would make an annual voluntary contribution to the Asia-Europe Foundation (ASEF). Australia's signing of the Convention on Cluster Munitions (CCM), which took effect from 1 August 2010, also brought with it financial obligations. These actions support Australia's multilateral efforts to address global problems and advance Australia's interests.

The Department will implement the 2010-11 Mid-Year Economic and Fiscal Outlook *Passport Fee Increase* measure, which came into effect on 1 January 2011.

A full outline of DFAT's Strategic Direction can be found in the *2010-11 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 2010-11 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 2010-11 as at Additional Estimates February 2011**

	Estimate as at Budget +	Proposed Additional Estimates	=	Total estimate at Additional Estimates	Total available appropriation
	2010-11 \$'000	2010-11 \$'000		2010-11 \$'000	2009-10 \$'000
<b>Ordinary annual services<sup>1</sup></b>					
<b>Departmental appropriation</b>					
Prior year departmental appropriation <sup>2</sup>	406,654	-		406,654	271,241
Departmental appropriation <sup>3</sup>	948,048	3,638		951,686	924,513
s31 Relevant agency receipts <sup>4</sup>	41,404	-		41,404	96,227
<b>Total</b>	<b>1,396,106</b>	<b>3,638</b>		<b>1,399,744</b>	<b>1,291,981</b>
<b>Administered expenses</b>					
Outcome 1	285,935	-		285,935	393,896
Outcome 2	750	-		750	750
Outcome 3	-	-		-	-
Payments to CAC Act Bodies	8,275	-		8,275	6,000
<b>Total</b>	<b>294,960</b>	<b>-</b>		<b>294,960</b>	<b>400,646</b>
<b>Total ordinary annual services A</b>	<b>1,691,066</b>	<b>3,638</b>		<b>1,694,704</b>	<b>1,692,627</b>
<b>Departmental non-operating</b>					
Equity injections <sup>5</sup>	71,933	473		72,406	65,285
Departmental Supplementation				-	
<b>Total</b>	<b>71,933</b>	<b>473</b>		<b>72,406</b>	<b>65,285</b>
<b>Administered non-operating</b>					
Administered assets and liabilities	-	-		-	75,000
<b>Total</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>75,000</b>
<b>Total other services B</b>	<b>71,933</b>	<b>473</b>		<b>72,406</b>	<b>140,285</b>
<b>Total available annual appropriations</b>	<b>1,762,999</b>	<b>4,111</b>		<b>1,767,110</b>	<b>1,832,912</b>
<b>Special appropriations limited by amount</b>					
Special Appropriation FMA Act, Passport Refunds	650	210		860	650
<b>Total special appropriations C</b>	<b>650</b>	<b>210</b>		<b>860</b>	<b>650</b>
<b>Total appropriations</b>					
<b>Special Accounts</b>	<b>1,762,349</b>	<b>3,901</b>		<b>1,766,250</b>	<b>1,832,262</b>

Table continued on following page.

**Table 1.1: DFAT resource statement — Additional estimates for 2010-11 as at Additional Estimates February 2011 (continued)**

	Estimate as at Budget	+ Proposed Additional Estimates	= Total estimate at Additional Estimates	Total available appropriation
	2010-11 \$'000	2010-11 \$'000	2010-11 \$'000	2009-10 \$'000
<b>Special Accounts</b>				
Opening balance <sup>6</sup>	291,152	11,782	302,934	303,036
Appropriation receipts <sup>7</sup>	75,839	1,266	77,105	103,553
Appropriation receipts - other agencies <sup>8</sup>	32,004	672	32,676	32,261
Non-appropriation receipts to Special Accounts	14,979	9,122	24,101	24,099
<b>Total Special Account</b>	<b>413,974</b>	<b>22,842</b>	<b>436,816</b>	<b>462,949</b>
<b>Total resourcing</b>				
A+B+C+D	2,177,623	27,163	2,204,786	2,296,511
Less appropriations drawn from annual or special appropriations and credited to special accounts and/or CAC Act bodies through annual appropriations	(122,822)	(11,060)	(133,882)	(159,913)
	(8,275)	-	(8,275)	(6,000)
<b>Total net resourcing for DFAT</b>	<b>2,046,526</b>	<b>16,103</b>	<b>2,062,629</b>	<b>2,130,598</b>

## Notes:

1. Appropriation Bill (No.1 & 3) 2010-11
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of \$57.681m in 2010-11 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'. Also includes \$23.271m in prior year adjustments. This is broken down into \$18.155m in supplementation for excess passport production and \$5.116m in prior year passport supplementation corrections.
4. s31 Relevant Agency receipts - estimate.
5. Appropriation Bill (No.2 & 4) 2010-11
6. Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Services for Other Entities and Trust Monies (SOETM) account).  
For further information on special accounts see Table 3.1.1.
7. Appropriation receipts from DFAT annual and special appropriations for 2009-10 included above.
8. Appropriation receipts from other agencies credited to agency DFAT's special accounts.

All figures are GST exclusive.

*DFAT Additional Estimates Statements*

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

	Estimate at Budget	Estimate at Additional Estimates
	2010-11 \$'000	2010-11 \$'000
Receipts received from other agencies for the provision of (disclosed above within Departmental section 31)	41,404	41,404
Payments made to CAC Act bodies within the Portfolio Export Finance and Insurance Corporation Appropriation Acts 1&2	8,275	8,275



### **1.3 AGENCY MEASURES TABLE**

Table 1.2 summarises new Government measures taken since the 2010-11 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: DFAT 2010-11 Measures since Budget**

	Program	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Revenue measure</b>					
Passport fee increase	2.4				
Administered revenues		17,896	43,720	58,052	73,946
<b>Total</b>		<b>17,896</b>	<b>43,720</b>	<b>58,052</b>	<b>73,946</b>
<b>Total revenue measures</b>					
Administered		17,896	43,720	58,052	73,946
<b>Total</b>		<b>17,896</b>	<b>43,720</b>	<b>58,052</b>	<b>73,946</b>
<b>Expense measures</b>					
Australia's Contribution to International Organisations	1.2				
Administered expenses <sup>1</sup>		74	74	74	74
Departmental expenses		(74)	(74)	(74)	(74)
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Australia's Engagement in Afghanistan	1.1				
Departmental expenses		1,286	1,714	-	-
<b>Total</b>		<b>1,286</b>	<b>1,714</b>	<b>-</b>	<b>-</b>
Anti-w haling Strategy: International Legal Action	1.1				
Departmental expenses		884	995	930	1,081
<b>Total</b>		<b>884</b>	<b>995</b>	<b>930</b>	<b>1,081</b>
<b>Total expense measures</b>					
Administered		74	74	74	74
Departmental		2,096	2,635	856	1,007
<b>Total</b>		<b>2,170</b>	<b>2,709</b>	<b>930</b>	<b>1,081</b>
<b>Capital measures</b>					
Australia's Engagement in Afghanistan	1.1				
Departmental capital		193	-	-	-
<b>Total</b>		<b>193</b>	<b>-</b>	<b>-</b>	<b>-</b>
Anti-w haling Strategy: International Legal Action	1.1				
Departmental capital		280			
<b>Total</b>		<b>280</b>			
<b>Total capital measures</b>					
Departmental		473	-	-	-
<b>Total</b>		<b>473</b>	<b>-</b>	<b>-</b>	<b>-</b>

Notes:

1. The Department has not been appropriated additional administered funds in 2010-11 for this new measure due to estimated reduced administered expenditure in other areas of Outcome 1.

The Foreign Affairs and Trade Portfolio will provide \$45.5m in savings measures over the forward estimates. Details of the savings measures will be provided in the Portfolio Budget Submission.

## 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 2010-11 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 2010-11 Budget**

	Program impacted	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Outcome 1</b>					
Increase in estimates (administered)					
Australia's Contribution to International Organisations <sup>1</sup>	1.2	74	74	74	74
Net impact on estimates for Outcome 1 (administered)		74	74	74	74
Increase in estimates (departmental)					
Anti-whaling Strategy: International Legal Action	1.1	884	995	930	1,081
Australia's Engagement in Afghanistan	1.1	1,286	1,714	-	-
Decrease in estimates (departmental)					
Australia's Contribution to International Organisations	1.2	(74)	(74)	(74)	(74)
Net impact on estimates for Outcome 1 (departmental)		2,096	2,635	856	1,007
<b>Outcome 2</b>					
Net impact on estimates for Outcome 2		-	-	-	-
<b>Outcome 3</b>					
Net impact on estimates for Outcome 3		-	-	-	-

1. The Department has not been appropriated additional administered funds in 2010-11 for this new measure due to estimated reduced administered expenditure in other areas of Outcome 1.

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

	Program impacted	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Outcome 1</b>					
Increase in estimates (administered)					
Adjustment for Rebasing	1.1, 1.2	572	244	417	408
Adjustment for Inflation	1.1	1	3	2	1
Decrease in estimates (administered)					
Adjustment for change in expected	1.2	(1,123)	(2,928)	(2,928)	(2,928)
Net impact on estimates for Outcome 1 (administered) <sup>1</sup>		<b>(550)</b>	<b>(2,681)</b>	<b>(2,509)</b>	<b>(2,519)</b>
Increase in estimates (departmental)					
Adjustment for overseas inflation	1.1	1,529	1,529	1,518	1,508
Adjustment for within year forex exchange gain	1.1	1,700	-	-	-
Adjustment for domestic inflation	1.1	-	568	284	(563)
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing	1.1	(14,572)	(14,572)	(14,572)	(14,572)
Net impact on estimates for Outcome 1 (departmental)		<b>(11,343)</b>	<b>(12,475)</b>	<b>(12,770)</b>	<b>(13,627)</b>
<b>Outcome 2</b>					
Increase in estimates (departmental)					
Adjustment for overseas inflation	2.1, 2.2	947	947	940	946
Adjustment for within year forex exchange gain	2.1, 2.2	1,006	-	-	-
Adjustment for domestic inflation	2.1, 2.2	-	346	183	(367)
Adjustment to Passport funding due to higher than expected passport issues in 2009-10	2.2	18,155	-	-	-
Correction for 2008-09 Passport funding	2.2	5,116	-	-	-
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing	2.1, 2.2	(8,967)	(9,248)	(8,977)	(8,977)
Net impact on estimates for Outcome 2 (departmental)		<b>16,257</b>	<b>(7,955)</b>	<b>(7,854)</b>	<b>(8,398)</b>
<b>Outcome 3</b>					
Increase in estimates (departmental)					
Adjustment for overseas inflation	3.1	442	442	460	464
Adjustment for domestic inflation	3.1	-	221	86	(173)
Adjustment for within year forex exchange gain	3.1	670	-	-	-
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing	3.1	(4,484)	(4,203)	(4,844)	(4,844)
Net impact on estimates for Outcome 3 (departmental)		<b>(3,372)</b>	<b>(3,540)</b>	<b>(4,298)</b>	<b>(4,553)</b>

1. The appropriation has not been adjusted at this stage due to uncertainties of future funding requirements for the administered items.

## 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) 2010-11**

	2009-10 Available \$'000	2010-11 Budget \$'000	2010-11 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'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	399,896	294,210	294,210	-	-
<b>Outcome 2</b>					
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	750	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 overseas owned estate	-	-	-	-	-
<b>Total</b>	<b>400,646</b>	<b>294,960</b>	<b>294,960</b>	<b>-</b>	<b>-</b>

*Table continued on following page.*

**Table 1.5: Appropriation Bill (No. 3) 2010-11 (continued)**

	2009-10 Available \$'000	2010-11 Budget \$'000	2010-11 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'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 <sup>1</sup>	484,715	506,065	496,818	-	(9,247)
<b>Outcome 2</b>			-		
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 <sup>2</sup>	287,041	265,261	281,518	16,257	-
<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 overseas owned estate	152,757	176,722	173,350	-	(3,372)
<b>Total</b>	924,513	948,048	951,686	16,257	(12,619)
<b>Total administered and departmental</b>	1,325,159	1,243,008	1,246,646	16,257	(12,619)

1. 2010-11 amounts include \$57.681m in Departmental Capital
2. 2010-11 revised amount includes \$23.271m in prior year adjustments. This is broken down into supplementation for excess passport production and \$5.116m in prior year passport supplementation corrections

**Note:** 2009-10 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) 2010-11**

	2009-10 Available \$'000	2010-11 Budget \$'000	2010-11 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-operating</b>					
Equity injections	65,285	71,933	72,406	473	-
<b>Total non-operating</b>					
Department of Foreign Affairs and Trade	65,285	71,933	72,406	473	-
<b>Total</b>	<b>65,285</b>	<b>71,933</b>	<b>72,406</b>	<b>473</b>	<b>-</b>

**Note:** 2009-10 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: 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 *2010-11 Portfolio Budget Statements*. Measures being funded through Additional Estimates are aimed at more effectively realising the Government's foreign, trade and security policy priorities through Australia's bilateral, regional and multilateral relationships.

The Government has agreed to provide funding to the Department to support the case against Japan in the International Court of Justice over its whaling in the Southern Ocean.

The Government has agreed to provide funding on a 'no-win, no-loss' basis for an additional measure on Afghan detainee management over a two-year period (2010-2012).

The Government has provided funding for an annual voluntary contribution to the Asia-Europe Foundation (ASEF) as part of Australia's participation in the Asia-Europe Meeting (ASEM). It has also provided funding for Australia's financial obligation flowing from Australia's signing of the Convention on Cluster Munitions (CCM). Both administered funding amounts will be fully offset from the Department's departmental funding.



**Table 2.1.1 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</b>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 1.1: Other Departmental</b>		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	25,130	9,610
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3) <sup>1,2</sup>	414,929	439,137
Revenues from other independent sources	74,899	50,799
Expenses not requiring Appropriation in the Budget year	880	53,711
<b>Total for Program 1.1</b>	<b>515,838</b>	<b>553,257</b>
<b>Program 1.2: Payments to International Organisations</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	260,507	255,294
<b>Total for Program 1.2</b>	<b>260,507</b>	<b>255,294</b>
<b>Program 1.3: Public Information and Public Diplomacy</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	59,764	28,830
<b>Total for Program 1.3</b>	<b>59,764</b>	<b>28,830</b>
<b>Outcome 1 Totals by resource type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	345,401	293,734
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3) <sup>1,2</sup>	414,929	439,137
Revenues from other independent sources	74,899	50,799
Expenses not requiring Appropriation in the Budget year	880	53,711
<b>Total expenses for Outcome 1</b>	<b>836,109</b>	<b>837,381</b>
<hr/>		
<b>Average Staffing Level (number)<sup>3</sup></b>	<b>2,018</b>	<b>2,107</b>

1. Amount excludes \$57.681m in Departmental Capital

2. These expenses include a portion of an intra-entity amount of \$72.1m (2009-10 \$102.6m) 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).

3. ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 and Outcome 3.

## Program 1.1: Foreign Affairs and Trade Operations

### Program 1.1 Objective

There is no change to the objective for Program 1.1 as expressed in the 2010-11 Portfolio Budget Statements.

### Program Expenses 1.1

	2009-10 Actuals	2010-11 Revised budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual administered expenses:					
Export Finance and Insurance Corporation (EFIC) - National Interest Account Expenses	19,520	6,975	6,380	5,588	4,651
Overseas development assistance - Debt-to-Health Swap with Government of Indonesia	-	-	-	-	-
Hosting of the 35 <sup>th</sup> Antarctic Treaty Consultative Meeting	13	29	1,386	-	-
Personal Benefits - Locally Engaged Staff pension schemes	5,175	2,127	2,127	2,127	2,127
Other Administered Items	422	479	489	498	509
Annual departmental expenses:					
Foreign Affairs and Trade Operations	489,828	489,936	484,796	539,622	538,349
Expenses not requiring appropriation	880	53,711	54,083	54,826	55,553
<b>Total program expenses</b>	<b>515,838</b>	<b>553,257</b>	<b>549,261</b>	<b>547,835</b>	<b>545,636</b>

### Program 1.1 Deliverables

Program 1.1 deliverables are affected by Additional Estimates measures which provide for the Government's decision to initiate legal action in the International Court of Justice against Japan over its whaling in the Southern Ocean and funding for an additional measure on Afghan detainee management.

### Program 1.1 Key Performance Indicators

Additional Key Performance Indicators are as follows:

- Effective contribution to Australia's case against Japan's whaling in the International Court of Justice
- Consistent with Government policy on Afghanistan, undertake regular visits to Australian-apprehended detainees, submit reports on all such visits and build a database for reporting purposes.

Complete details of the Department of Foreign Affairs and Trade resources and performance information can be found in the 2010-11 Portfolio Budget Statements.

**Program 1.2: Payments to International Organisations***Program 1.2 Objective*

There is no change to the objective for Program 1.2 as expressed in the 2010-11 Portfolio Budget Statements.

*Program 1.2 Expenses*

	2009-10 Actuals \$'000	2010-11 Revised budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses:					
Payments to International Organisations	260,507	255,294	253,494	253,494	253,494
<b>Total program expenses</b>	<b>260,507</b>	<b>255,294</b>	<b>253,494</b>	<b>253,494</b>	<b>253,494</b>

*Program 1.2 Deliverables*

Program 1.2 deliverables are affected by Australia's participation in the Asia-Europe Meeting (ASEM) and Australia's signing of the Convention on Cluster Munitions (CCM).

*Program 1.2 Key Performance Indicators*

There is no change to the key performance indicators for Program 1.2 as expressed in the 2010-11 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 2010-11 Portfolio Budget Statements.

*Program 1.3 Expenses*

	2009-10 Actuals \$'000	2010-11 Revised budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses:					
Administered Grants Program	4,740	4,594	4,594	4,594	4,594
Australia Network	19,289	19,354	19,354	19,354	19,354
Special Account Expenses:					
Expositions Special Account	35,735	4,882	-	-	-
<b>Total program expenses</b>	<b>59,764</b>	<b>28,830</b>	<b>23,948</b>	<b>23,948</b>	<b>23,948</b>

*Program 1.3 Deliverables*

There is no change to the deliverables for Program 1.3 as expressed in the 2010-11 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 2010-11 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 the Department's Outcome Strategy as expressed in the *2010-11 Portfolio Budget Statements*.

**Table 2.1.2 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</b>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 2.1: Consular Services</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	12	200
Travellers' Emergency Loans	228	550
Total Administered for Program 2.1	<b>240</b>	<b>750</b>
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3) <sup>1</sup>	72,238	73,417
Expenses not requiring Appropriation in the Budget year	130	4,566
Total Departmental for Program 2.1	<b>72,368</b>	<b>77,983</b>
<b>Total for Program 2.1</b>	<b>72,608</b>	<b>78,733</b>
<b>Program 2.2: Passport Services</b>		
Administered Expenses		
Special Appropriations	722	860
Total Administered for Program 2.2	<b>722</b>	<b>860</b>
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1) <sup>1,2</sup>	176,922	184,830
Expenses not requiring Appropriation in the Budget year	318	11,105
Total Departmental for Program 2.2	<b>177,240</b>	<b>195,935</b>
<b>Total for Program 2.2</b>	<b>177,962</b>	<b>196,795</b>
<b>Outcome 2 Totals by resource type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	240	750
Special Appropriation	722	860
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3) <sup>1, 2</sup>	249,160	258,247
Expenses not requiring Appropriation in the Budget year	448	15,671
<b>Total expenses for Outcome 2</b>	<b>250,570</b>	<b>275,528</b>
	2009-10	2010-11
<b>Average Staffing Level (number)<sup>3</sup></b>	<b>970</b>	<b>1,026</b>

1. These expenses include a portion of an intra-entity amount of \$72.1m (2009-10 \$102.6m) 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. Amount includes \$23.271m in prior year adjustments. This is broken down into \$18.155m in supplementation for excess passport production and \$5.116m in prior year passport supplementation corrections.
3. ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 and Outcome 3.

## Program 2.1: Consular Services

### Program 2.1 Objective

There is no change to the objective for Program 2.1 as expressed in the 2010-11 *Portfolio Budget Statements*.

### Program 2.1 Expenses

	2009-10 Actuals	2010-11 Revised budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual administered expenses:					
Consular Emergency Services	12	200	200	200	200
Other Administered Appropriation Items:					
Travellers' Emergency Loans	228	550	550	550	550
Annual departmental expenses:					
Consular Services	72,238	73,417	70,763	73,631	73,993
Expenses not requiring appropriation	130	4,566	4,852	4,882	4,836
<b>Total program expenses</b>	<b>72,608</b>	<b>78,733</b>	<b>76,365</b>	<b>79,263</b>	<b>79,579</b>

### Program 2.1 Deliverables

There is no change to the deliverables for Program 2.1 as expressed in the 2010-11 *Portfolio Budget Statements*.

### Program 2.1 Key Performance Indicators

There is no change to the key performance indicators for Program 2.1 as expressed in the 2010-11 *Portfolio Budget Statements*.

## Program 2.2: Passport Services

### Program 2.2 Objective

There is no change to the objective for Program 2.2 as expressed in the 2010-11 *Portfolio Budget Statements*.

The Department will implement the 2010-11 Mid-Year Economic and Fiscal Outlook *Passport Fee Increase* measure, increasing passport fees equivalent to the movement in consumer prices over the period since the last fee increase in 2008 and automatically indexed to the Consumer Price Index thereafter. This is reflected as an administered revenue measure.

*Program 2.2 Expenses*

	2009-10 Actuals \$'000	2010-11 Revised budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
<b>Program component name</b>					
Special appropriations:					
<i>Special Appropriation FMA Act s28</i>	722	860	860	860	860
Annual departmental expenses:					
Passport Services	176,922	184,830	204,300	217,035	223,724
Expenses not requiring appropriation	8,294	11,105	12,541	12,698	19,158
<b>Total program expenses</b>	<b>177,644</b>	<b>185,690</b>	<b>205,160</b>	<b>217,895</b>	<b>224,584</b>

*Program 2.2 Deliverables*

There is no change to the deliverables for Program 2.2 as expressed in the 2010-11 *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 2010-11 *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 the Department's Outcome Strategy as expressed in the 2010-11 *Portfolio Budget Statements*.



**Table 2.1.3 Budgeted Expenses and Resources for Outcome 3**

<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>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 3.1: Other (Departmental)</b>		
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3) <sup>1</sup>	107,501	173,350
Expenses not requiring Appropriation in the Budget year	196	12,722
<b>Total for Program 3.1</b>	<b>107,697</b>	<b>186,072</b>
<b>Program 3.2: Overseas Property</b>		
Departmental Expenses		
Special accounts	67,929	70,950
<b>Total for Program 3.2</b>	<b>67,929</b>	<b>70,950</b>
<b>Outcome 3 Totals by resource type</b>		
Departmental Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	107,501	173,350
Expenses not requiring Appropriation in the Budget year	196	12,722
Special accounts	67,929	70,950
<b>Total expenses for Outcome 3</b>	<b>175,626</b>	<b>257,022</b>
	2009-10	2010-11
<b>Average Staffing Level (number)<sup>2</sup></b>	<b>589</b>	<b>623</b>

1. These expenses include a portion of an intra-entity amount of \$72.1m (2009-10 \$102.6m) 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 2 and Outcome 3.

### Program 3.1: Foreign Affairs and Trade Operations

#### Program 3.1 Objective

There is no change to the objective for Program 3.1 as expressed in the 2010-11 Portfolio Budget Statements.

#### Program 3.1 Expenses

	2009-10 Actuals	2010-11 Revised budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual departmental expenses:					
Foreign Affairs and Trade Operations	107,697	173,350	168,762	130,513	131,307
Expenses not requiring appropriation	196	12,722	15,235	14,380	12,992
<b>Total program expenses</b>	<b>107,893</b>	<b>186,072</b>	<b>183,997</b>	<b>144,893</b>	<b>144,299</b>

#### Program 3.1 Deliverables

There is no change to the deliverables for Program 3.1 as expressed in the 2010-11 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 2010-11 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 2010-11 Portfolio Budget Statements.

#### Program 3.2 Expenses

	2009-10 Actuals	2010-11 Revised budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Special Account Expenses:					
Overseas Property Special Account - Finance Determination 2002-01 (D)	67,929	70,950	68,479	64,361	64,961
<b>Total program expenses</b>	<b>67,929</b>	<b>70,950</b>	<b>68,479</b>	<b>64,361</b>	<b>64,961</b>

#### Program 3.2 Deliverables

There is no change to the deliverables for Program 3.2 as expressed in the 2010-11 Portfolio Budget Statements.

#### Program 3.2 Key Performance Indicators

There is no change to the key performance indicators for Program 3.2 as expressed in the 2010-11 Portfolio Budget Statements.

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### **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 *2010-11 Portfolio Budget Statements* is Table 3.1.2.

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

		Opening balance <b>2010-11</b> 2009-10	Receipts <b>2010-11</b> 2009-10	Payments <b>2010-11</b> 2009-10	Adjustments <b>2010-11</b> 2009-10	Closing balance <b>2010-11</b> 2009-10
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Administered Payments and Receipts for Other Entities Special Account - FMA Act 1997 s20 (A) #	1	<b>5,000</b>	<b>230,000</b>	<b>(230,000)</b>	-	<b>5,000</b>
		4,967	177,790	(177,757)	-	5,000
Australia - China Council Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		1	-	(1)	-	-
Australia - France Endowment Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		1	-	(1)	-	-
Australia - India Council Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		1	-	(1)	-	-
Australia - Indonesia Institute Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		-	-	-	-	-
Australia - Japan Foundation Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		64	-	(64)	-	-
Australia - Korea Foundation Special Account - FMA Act 1997 s20 (A) #	1	-	-	-	-	-
		1	-	(1)	-	-

Table continued on following page.

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

		Opening balance <b>2010-11</b> 2009-10	Receipts <b>2010-11</b> 2009-10	Payments <b>2010-11</b> 2009-10	Adjustments <b>2010-11</b> 2009-10	Closing balance <b>2010-11</b> 2009-10
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Consular Services Special Account - FMA Act 1997 s20 (A)	2	<b>51</b> 54	<b>100</b> 226	<b>(100)</b> (229)	- -	<b>51</b> 51
Expositions Special Account - FMA Act 1997 s20 (A)	1	<b>5,407</b> 337	<b>7,880</b> 38,710	<b>(8,405)</b> (33,641)	- -	<b>4,882</b> 5,407
Other Trust Monies Account - FMA Act 1997 s20(A) ^	1	- 788	- 212	- (1,000)	- -	- -
Overseas Property Special Account * -Finance determination 2002-01 (D)	3	<b>297,628</b> 262,430	<b>125,901</b> 121,202	<b>(191,084)</b> (86,004)	- -	<b>232,445</b> 297,628
Services for Other Entities and Trust Monies - Foreign Affairs and Trade Special Account - FMA Act 1997 s20 (A)	1	<b>2,108</b> -	<b>5,000</b> 5,417	<b>(5,000)</b> (3,309)	- -	<b>2,108</b> 2,108
Services for other Governments and Non- agency Bodies Account - FMA Act 1997 s20 (A)^	1	- 3,481	- 552	- (4,033)	- -	- -
<b>Total Special Accounts 2010-11 Budget</b>		<b>310,194</b>	<b>368,881</b>	<b>(434,589)</b>	-	<b>244,486</b>
<i>Total Special Accounts 2009-10 estimate actual</i>		<i>272,058</i>	<i>344,109</i>	<i>(305,974)</i>	-	<i>310,194</i>

## Notes:

(A) = Administered (D) = Departmental

\* Includes GST

# 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.

^ The special accounts Other Trust Monies Account - FMA Act 1997 s20 and the Services for Other Government & Non-Agency Bodies account - FMA Act 1997 s20 have been abolished and replaced by the Services for Other Entities and Trust Monies - Foreign Affairs and Trade Special Account.

## **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 \$3.6 million (excluding equity injections and departmental supplementation) in 2010-11. This comprises additional funding of \$2.1 million for new measures. It also includes movement of \$1.5 million in other adjustments, primarily relating to foreign exchange, overseas and domestic inflation.

The Income Statement shows a budgeted deficit in 2010-11 of \$34.8 million, due to removal of funding for depreciation and amortisation under the Net Cash funding arrangements. Overall, the operating result attributable to the department is a surplus of \$68 million in 2010-11, all of which relates to the Overseas Property Special Account.

#### *Budgeted Departmental Balance Sheet*

The department will receive additional equity injections totalling \$0.5 million of Additional Estimates for funding of capital works as a result of new measures.

For 2010-11, the department's non-financial asset position is budgeted to be \$2,224.5 million at year-end. The major asset component is \$1,922.9 million for Land and Buildings which includes \$1,606.8 million managed in the Overseas Property Special Account.

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

Administered revenues have been budgeted at \$395.321 million in 2010-11. Total revenue is estimated to decrease by \$1.547 million since the *Portfolio Budget Statements 2010-11*. This is a result of a reduction in other source income offset by an increase in the estimated dividend from the Export Finance and Insurance Corporation.

Total expenses administered on behalf of government are budgeted at \$297.394 million in 2010-11. Total estimated expenses have decreased by \$0.266 million since the *Portfolio Budget Statements 2010-11*. Foreign exchange variation since the 2010-11 Budget has led to a decrease in the estimated payments to international organisations and peacekeeping operations which have enabled payments for contributions to additional organisation this year.

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

This statement has been revised since the publication of the *Portfolio Budget Statements 2010-11* to reflect the final actual closing balances in 2009-10, including fair value adjustments required under the Australian Accounting Standards.

**Schedule of budgeted administered cash flows**

Administered cash received generally moves in line with the administered revenue, and is returned to the Consolidated Revenue Fund. Total cash received is in line with the expectations published in the *Portfolio Budget Statements 2010-11*.

Administered cash outflows generally move according to estimated expenses incurred on behalf of Government. The cash outflows are in line with the expectations published in the *Portfolio Budget Statements 2010-11*.

### 3.2.2 Budgeted financial statements

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
<b>EXPENSES</b>					
Employee benefits	390,208	429,234	416,466	393,741	427,345
Supplier expenses	431,230	463,354	467,902	465,242	437,283
Grants	5,242	900	900	900	900
Depreciation and amortisation	84,950	102,882	108,487	110,197	117,668
Finance costs	1,452	-	-	-	-
Write-down and impairment of assets	127	-	-	-	-
Losses from asset sales	1,100	63	150	188	-
Other	109	3,734	3,629	2,157	300
<b>Total expenses</b>	<b>914,418</b>	<b>1,000,167</b>	<b>997,534</b>	<b>972,425</b>	<b>983,496</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	101,065	88,336	89,673	91,979	91,850
Fees and fines	-	-	-	-	-
Other	7,524	1,911	1,780	2,033	2,144
<b>Total revenue</b>	<b>108,589</b>	<b>90,247</b>	<b>91,453</b>	<b>94,012</b>	<b>93,994</b>
<b>Gains</b>					
Sale of assets	-	4,019	-	-	-
Other	460	390	392	392	400
<b>Total gains</b>	<b>460</b>	<b>4,409</b>	<b>392</b>	<b>392</b>	<b>400</b>
<b>Total own-source income</b>	<b>109,049</b>	<b>94,656</b>	<b>91,845</b>	<b>94,404</b>	<b>94,394</b>
<b>Net cost of (contribution by) services</b>	<b>805,369</b>	<b>905,511</b>	<b>905,689</b>	<b>878,021</b>	<b>889,102</b>
Revenue from Government	894,974	870,734	864,441	840,350	837,358
<b>Surplus (Deficit)</b>	<b>89,605</b>	<b>(34,777)</b>	<b>(41,248)</b>	<b>(37,671)</b>	<b>(51,744)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>89,605</b>	<b>(34,777)</b>	<b>(41,248)</b>	<b>(37,671)</b>	<b>(51,744)</b>
<b>Note: Reconciliation of operating result attributable to the agency</b>					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
<b>Operating result attributable to the Australian Government</b>	<b>89,605</b>	<b>(34,777)</b>	<b>(41,248)</b>	<b>(37,671)</b>	<b>(51,744)</b>
plus non-appropriated expenses					
depreciation and amortisation expenses	84,950	102,882	108,487	110,197	117,668
<b>Operating result attributable to the Agency</b>	<b>174,555</b>	<b>68,105</b>	<b>67,239</b>	<b>72,526</b>	<b>65,924</b>

Prepared on Australian Accounting Standards basis.



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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	48,555	77,096	80,079	81,689	83,299
Trade and other receivables	744,577	575,932	504,570	435,489	575,932
Tax assets	-	-	-	-	-
<b>Total financial assets</b>	<b>793,132</b>	<b>653,028</b>	<b>584,649</b>	<b>517,178</b>	<b>659,231</b>
<b>Non-financial assets</b>					
Land and buildings	1,850,721	1,922,936	1,926,417	1,941,140	2,044,921
Property, plant and equipment	146,151	179,316	262,137	320,541	359,704
Intangibles	13,526	26,737	29,376	23,650	16,234
Inventories	34,686	34,686	34,686	34,686	34,686
Other	42,058	60,799	124,732	209,003	358,311
<b>Total non-financial assets</b>	<b>2,087,142</b>	<b>2,224,474</b>	<b>2,377,348</b>	<b>2,529,020</b>	<b>2,813,856</b>
Assets held for sale					
<b>Total assets</b>	<b>2,880,274</b>	<b>2,877,502</b>	<b>2,961,997</b>	<b>3,046,198</b>	<b>3,473,087</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	83,119	83,109	83,109	83,109	83,109
Other	18,878	18,878	18,878	18,878	18,878
<b>Total payables</b>	<b>101,997</b>	<b>101,987</b>	<b>101,987</b>	<b>101,987</b>	<b>101,987</b>
<b>Interest bearing liabilities</b>					
Leases	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employee provisions	126,041	126,060	126,060	126,060	126,060
Other	23,979	23,979	23,979	23,979	23,979
<b>Total provisions</b>	<b>150,020</b>	<b>150,039</b>	<b>150,039</b>	<b>150,039</b>	<b>150,039</b>
Liabilities included in disposal groups held for sale					
<b>Total liabilities</b>	<b>252,017</b>	<b>252,026</b>	<b>252,026</b>	<b>252,026</b>	<b>252,026</b>
<b>Net assets</b>	<b>2,628,257</b>	<b>2,625,476</b>	<b>2,709,971</b>	<b>2,794,172</b>	<b>3,221,061</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	1,582,866	1,711,410	1,854,309	1,983,754	2,151,786
Reserves	417,670	399,603	387,153	381,294	407,329
Retained surplus (accumulated deficit)	627,721	514,461	468,507	429,122	375,664
<b>Total parent entity interest</b>	<b>2,628,257</b>	<b>2,625,474</b>	<b>2,709,969</b>	<b>2,794,170</b>	<b>2,934,779</b>

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

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	125,849	88,336	89,673	91,979	91,850
Appropriations	860,000	973,402	898,966	857,563	856,118
Interest					
Dividends					
Net GST received	26,602	19,362	19,363	19,363	-
Other	-	1,931	1,780	2,033	2,144
<b>Total cash received</b>	<b>1,012,451</b>	<b>1,083,031</b>	<b>1,009,782</b>	<b>970,938</b>	<b>950,112</b>
<b>Cash used</b>					
Employees	386,595	430,142	417,208	393,781	427,385
Suppliers	463,163	462,903	466,946	464,811	436,843
Grants	-	900	900	900	900
Net GST paid	-	19,362	19,363	19,363	-
Other	105,403	9,503	3,629	2,345	300
<b>Total cash used</b>	<b>955,161</b>	<b>922,810</b>	<b>908,046</b>	<b>881,200</b>	<b>865,428</b>
<b>Net cash from (used by) operating activities</b>	<b>57,290</b>	<b>160,221</b>	<b>101,736</b>	<b>89,738</b>	<b>84,684</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	10,511	14,736	2,979	-	-
Proceeds from sales of financial instruments					
Investments					
Other					
<b>Total cash received</b>	<b>10,511</b>	<b>14,736</b>	<b>2,979</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	107,086	230,750	174,542	145,147	214,782
Purchase of financial instruments					
Investments					
Other	-	37,453	102,320	122,581	161,417
<b>Total cash used</b>	<b>107,086</b>	<b>268,203</b>	<b>276,862</b>	<b>267,728</b>	<b>376,199</b>
<b>Net cash from (used by) investing activities</b>	<b>(96,575)</b>	<b>(253,467)</b>	<b>(273,883)</b>	<b>(267,728)</b>	<b>(376,199)</b>

Table continued on following page.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	59,007	128,544	142,899	129,445	168,032
Other	-	65,964	36,937	51,869	126,807
<b>Total cash received</b>	<b>59,007</b>	<b>194,508</b>	<b>179,836</b>	<b>181,314</b>	<b>294,839</b>
<b>Cash used</b>					
Repayments of borrow ings	3	-	-	-	-
Dividends paid	10,896	58,834	1,905	1,714	1,714
Other	1,110	13,880	2,801	-	-
<b>Total cash used</b>	<b>12,009</b>	<b>72,714</b>	<b>4,706</b>	<b>1,714</b>	<b>1,714</b>
<b>Net cash from (used by) financing activities</b>	<b>46,998</b>	<b>121,794</b>	<b>175,130</b>	<b>179,600</b>	<b>293,125</b>
<b>Net increase (decrease) in cash held</b>	<b>7,713</b>	<b>28,548</b>	<b>2,983</b>	<b>1,610</b>	<b>1,610</b>
Cash and cash equivalents at the beginning of the reporting period	40,782	48,555	77,103	80,086	81,696
Exchange rate movements	60	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>48,555</b>	<b>77,103</b>	<b>80,086</b>	<b>81,696</b>	<b>83,306</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2010</b>					
Balance carried forward from previous period	627,721	417,670	-	1,582,866	2,628,257
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	627,721	417,670	-	1,582,866	2,628,257
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity:	-	-	-	-	-
Gain/loss on revaluation of property	-	(18,067)	-	-	(18,067)
<b>Sub-total comprehensive income</b>	-	(18,067)	-	-	(18,067)
Surplus (deficit) for the period	(34,777)	-	-	-	(34,777)
<b>Total comprehensive income recognised directly in equity</b>	(34,777)	(18,067)	-	-	(52,844)
<b>Transactions with owners</b>					
<i>Distributions to owners</i>					
Cash Transfers to the OPA	(19,649)	-	-	-	(19,649)
Dividends	(58,834)	-	-	-	(58,834)
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	70,863	70,863
Appropriation (DCB)	-	-	-	57,681	57,681
<b>Sub-total transactions with owners</b>	(78,483)	-	-	128,544	50,061
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2011</b>	<b>514,461</b>	<b>399,603</b>	<b>-</b>	<b>1,711,410</b>	<b>2,625,474</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	-	57,681	73,963	79,874	119,614
Equity injections - Bill 2	65,285	72,686	68,936	49,571	48,418
Previous years' outputs - Bill 2	42,127	-	-	-	-
<b>Total capital appropriations</b>	<b>107,412</b>	<b>130,367</b>	<b>142,899</b>	<b>129,445</b>	<b>168,032</b>
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	65,285	128,824	142,899	129,445	168,032
Other Items	42,127	1,543	-	-	-
<b>Total Items</b>	<b>107,412</b>	<b>130,367</b>	<b>142,899</b>	<b>129,445</b>	<b>168,032</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
<b>Funded by capital appropriations</b>					
Funded by capital appropriation - DCB <sup>1</sup>	-	57,681	73,963	79,874	119,614
Funded internally from departmental resources <sup>2</sup>	117,806	97,761	38,387	41,638	43,178
<b>TOTAL</b>	<b>183,091</b>	<b>249,244</b>	<b>212,829</b>	<b>183,457</b>	<b>228,360</b>

1. Does not include annual finance lease costs.
2. Includes the following sources of funding:
  - annual and prior year appropriations
  - donations and contributions
  - gifts
  - internally developed assets
  - s31 relevant agency receipts
  - proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of Asset Movements (2010-11)**

	Land	Buildings	Other property, plant and equipment	Intangibles	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2010</b>						
Gross book value	916,123	1,001,841	190,365	44,817	2,867	2,156,013
Accumulated depreciation/amortisation and impairment	-	(67,243)	(44,214)	(31,291)	(2,867)	(145,615)
<b>Opening net book balance</b>	<b>916,123</b>	<b>934,598</b>	<b>146,151</b>	<b>13,526</b>	<b>-</b>	<b>2,010,398</b>
<b>CAPITAL ASSET ADDITIONS</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase or internally developed	79,447	70,361	76,560	22,596	-	248,964
Revaluations	(5,498)	(38,282)	(75)	-	-	(43,855)
Disposals <sup>#</sup>	(6,342)	(3,427)	-	-	(500)	(10,269)
<b>Total additions</b>	<b>67,607</b>	<b>28,652</b>	<b>76,485</b>	<b>22,596</b>	<b>(500)</b>	<b>194,840</b>
<b>Other movements</b>						
Depreciation/amortisation expense	-	(49,657)	(43,840)	(9,385)	-	(102,882)
Disposals for cash consideration	-	345	-	-	-	345
Revaluation	-	25,268	520	-	-	25,788
<b>As at 30 June 2011</b>						
Gross book value	983,730	1,030,493	266,850	67,413	2,367	2,350,853
Accumulated depreciation/amortisation and impairment	-	(91,287)	(87,534)	(40,676)	(2,867)	(222,364)
<b>Closing net book balance</b>	<b>983,730</b>	<b>939,206</b>	<b>179,316</b>	<b>26,737</b>	<b>(500)</b>	<b>2,128,489</b>

<sup>#</sup> Proceeds may be returned to the OPA

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation</b>					
Goods and services	330,957	366,262	409,934	440,530	474,392
Interest	6,037	5,344	4,732	3,970	3,133
Dividends	16,802	14,100	14,300	15,400	10,000
Other sources of non-taxation revenues	25,635	9,615	6,420	7,790	8,860
<b>Total non-taxation</b>	<b>379,431</b>	<b>395,321</b>	<b>435,386</b>	<b>467,690</b>	<b>496,385</b>
<b>Total revenues administered on behalf of Government</b>	<b>379,431</b>	<b>395,321</b>	<b>435,386</b>	<b>467,690</b>	<b>496,385</b>
<b>Gains</b>					
Foreign exchange	3,771	-	-	-	-
<b>Total gains administered on behalf of Government</b>	<b>3,771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income administered on behalf of Government</b>	<b>383,202</b>	<b>395,321</b>	<b>435,386</b>	<b>467,690</b>	<b>496,385</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	264,692	260,088	258,288	258,288	258,288
Personal benefits	0	2,127	2,127	2,127	2,127
Employees	6,592	647	0	0	0
Suppliers	58,194	29,242	23,789	22,412	22,223
Write Dow n/Impairment of Assets	9,880	0	-	-	-
Finance costs	7,006	5,290	4,680	3,888	3,151
<b>Total expenses administered on behalf of Government</b>	<b>346,364</b>	<b>297,394</b>	<b>288,884</b>	<b>286,715</b>	<b>285,789</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	11,376	4,421	4,393	3,973	3,553
Receivables	4,812	82,732	71,152	61,052	50,902
Investments	407,606	407,606	407,606	407,606	407,606
Other financial assets	0	122	122	122	122
<b>Total financial assets</b>	<b>423,794</b>	<b>494,881</b>	<b>483,273</b>	<b>472,753</b>	<b>462,183</b>
<b>Non-financial assets</b>					
Other	1,607	3,649	3,649	3,649	3,649
<b>Total non-financial assets</b>	<b>1,607</b>	<b>3,649</b>	<b>3,649</b>	<b>3,649</b>	<b>3,649</b>
<b>Total assets administered on behalf of Government</b>	<b>425,401</b>	<b>498,530</b>	<b>486,922</b>	<b>476,402</b>	<b>465,832</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Other	42,908	25,194	20,230	15,536	11,942
<b>Total interest bearing liabilities</b>	<b>42,908</b>	<b>25,194</b>	<b>20,230</b>	<b>15,536</b>	<b>11,942</b>
<b>Provisions</b>					
Other provisions	40,333	39,466	39,466	39,466	39,466
<b>Total provisions</b>	<b>40,333</b>	<b>39,466</b>	<b>39,466</b>	<b>39,466</b>	<b>39,466</b>
<b>Payables</b>					
Suppliers	12,559	16,517	16,517	16,517	16,517
Other payables	11,060	91,917	77,817	65,317	52,817
<b>Total payables</b>	<b>23,619</b>	<b>108,434</b>	<b>94,334</b>	<b>81,834</b>	<b>69,334</b>
<b>Total liabilities administered on behalf of Government</b>	<b>106,860</b>	<b>173,094</b>	<b>154,030</b>	<b>136,836</b>	<b>120,742</b>

Prepared on Australian Accounting Standards basis.



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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	331,531	362,434	409,934	440,530	474,392
Interest	89	109	109	109	109
Dividends	16,802	14,100	14,300	15,400	10,000
Net GST received	5,877	2,655	2,074	1,934	1,934
Other	22,417	7,486	4,435	6,025	7,145
<b>Total cash received</b>	<b>376,716</b>	<b>386,784</b>	<b>430,852</b>	<b>463,998</b>	<b>493,580</b>
<b>Cash used</b>					
Employees	1,434	647	-	-	-
Grant payments	253,500	260,638	258,838	258,838	258,838
Borrowing costs	7,556	6,400	5,000	4,640	3,700
Personal benefits	2,259	2,994	2,127	2,127	2,127
Suppliers	52,578	23,599	22,089	20,712	20,723
Net GST paid	5,231	3,140	2,074	1,934	1,934
Other	918	1,700	1,700	1,800	1,600
<b>Total cash used</b>	<b>323,476</b>	<b>299,118</b>	<b>291,828</b>	<b>290,051</b>	<b>288,922</b>
<b>Net cash from or (used by) operating activities</b>	<b>53,240</b>	<b>87,666</b>	<b>139,024</b>	<b>173,947</b>	<b>204,658</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	311,717	295,624	289,334	287,697	286,568
Equity Contribution	-	12,500	12,500	12,500	12,500
<b>Total cash received</b>	<b>311,717</b>	<b>308,124</b>	<b>301,834</b>	<b>300,197</b>	<b>299,068</b>
<b>Cash used</b>					
Cash to Official Public Account	358,814	390,245	428,386	462,064	491,646
Other Financing	-	12,500	12,500	12,500	12,500
<b>Total cash used</b>	<b>358,814</b>	<b>402,745</b>	<b>440,886</b>	<b>474,564</b>	<b>504,146</b>
<b>Net cash from or (used by) financing activities</b>	<b>(47,097)</b>	<b>(94,621)</b>	<b>(139,052)</b>	<b>(174,367)</b>	<b>(205,078)</b>
<b>Net increase or (decrease) in cash held</b>	<b>6,143</b>	<b>(6,955)</b>	<b>(28)</b>	<b>(420)</b>	<b>(420)</b>
Cash at beginning of reporting period	5,233	11,376	4,421	4,393	3,973
<b>Cash at end of reporting period</b>	<b>11,376</b>	<b>4,421</b>	<b>4,393</b>	<b>3,973</b>	<b>3,553</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of Administered Capital Budget**

	Actual	Revised budget	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2009-10	2010-11	2011-12	2012-13	2013-14
	\$'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 ASSETS</b>					
Funded by capital appropriations	75,000	-	-	-	-
<b>TOTAL</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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 \$407.6 million as at 30 June 2010.

*DFAT Additional Estimates Statements*

***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 AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

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# AusAID

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

A full outline of AusAID's strategic direction can be found in the 2010-11 Portfolio Budget Statements. AusAID's role, strategic direction and outcomes remain unchanged as a result of Additional Estimates. Effective as of the 8<sup>th</sup> July 2010, the Government established AusAID as an Executive Agency.

Through the 2010-11 Additional Estimates, AusAID will receive an additional \$523.8 million (including \$234.8 million in administered capital) in 2010-11 to enable the Australian Government to implement the measures detailed in Table 1.2.

### 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement (Table 1.1) details the resourcing for AusAID at Additional Estimates. This statement outlines the total resourcing available from all sources for the 2010-11 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 2010-11 as at Additional Estimates February 2011**

	Estimate as at Budget <sup>+</sup>	Proposed Additional <sup>=</sup> Estimate	Total estimate at Additional Estimates	Total available appropriation
	2010-11 \$'000	2010-11 \$'000	2010-11 \$'000	2009-10 \$'000
<b>Ordinary annual services <sup>1</sup></b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>2</sup>				
Departmental appropriation <sup>3</sup>	247,233	39,838	287,071	28,068
s31Relevant agency receipts <sup>4</sup>	231	-	231	-
<b>Total</b>	<b>247,464</b>	<b>39,838</b>	<b>287,302</b>	<b>28,068</b>
<b>Administered expenses <sup>1</sup></b>				
Outcome f	4,066,659	249,114	4,315,773	645,801
Outcome 2	6,781		6,781	3,113
<b>Total</b>	<b>4,073,440</b>	<b>249,114</b>	<b>4,322,554</b>	<b>648,914</b>
<b>Total ordinary annual services A</b>	<b>4,320,904</b>	<b>288,952</b>	<b>4,609,856</b>	<b>676,982</b>
<b>Other services</b>				
<b>Administered revenue <sup>6</sup></b>				
Outcome 1	4,538	-	4,538	-
<b>Total</b>	<b>4,538</b>	<b>-</b>	<b>4,538</b>	<b>-</b>
<b>Departmental non-operating <sup>7</sup></b>				
Equity injections <sup>8</sup>	13,546	-	13,546	1,220
<b>Total</b>	<b>13,546</b>	<b>-</b>	<b>13,546</b>	<b>1,220</b>
<b>Administered non-operating <sup>7</sup></b>				
Administered assets and liabilities <sup>8</sup>	905,531	234,815	1,140,346	586,716
<b>Total</b>	<b>905,531</b>	<b>234,815</b>	<b>1,140,346</b>	<b>586,716</b>
<b>Total other services B</b>	<b>923,615</b>	<b>234,815</b>	<b>1,158,430</b>	<b>587,936</b>
<b>Total available annual appropriations</b>	<b>4,320,904</b>	<b>288,952</b>	<b>4,609,856</b>	<b>676,982</b>
<b>Special appropriations</b>	-	-	-	-
<b>Total special appropriations C</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total appropriations excluding Special Accounts</b>	<b>5,244,519</b>	<b>523,767</b>	<b>5,768,286</b>	<b>1,264,918</b>



**Table 1.1: AusAID resource statement — Additional estimates for 2010-11 as at Additional Estimates February 2011 (continued)**

	Estimate as at Budget +	Proposed Additional = Estimate	Total estimate at Additional Estimates	Total available appropriation
	2010-11 \$'000	2010-11 \$'000	2010-11 \$'000	2009-10 \$'000
<b>Special Accounts</b>				
Opening balance <sup>9</sup>	347,441	-	347,441	347,441
Appropriation receipts	-	-	-	-
Appropriation receipts - other agencies	-	-	-	-
Non-appropriation receipts to Special Accounts <sup>10</sup>	5,000		5,000	-
<b>Total Special Account</b>	<b>D 352,441</b>	<b>0</b>	<b>352,441</b>	<b>347,441</b>
<b>Total resourcing</b>				
A+B+C+D	5,596,960	523,767	6,120,727	1,612,359
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations				
<b>Total net resourcing for AusAID</b>	<b>5,596,960</b>	<b>523,767</b>	<b>6,120,727</b>	<b>1,612,359</b>

1. Appropriation Bill (No.1 &amp; 3) 2010-11

2. Estimated adjusted balance carried from previous year for annual appropriations

3. Includes an amount of \$7.427m in 2010-11 for the Departmental Capital Budget (refer to table 3.2.5 for further details)

4. Section 31 Relevant Agency receipts — estimate

5. Includes an amount of \$1.973m in 2010-11 for the Administered Capital Budget (refer to table 3.2.10 for further detail). For accounting purposes this amount has been designated as 'contributions by owners'

6. The majority of this funding relates to unused funds returned from contractors and non-government organisations and taxation paid to partner governments and returned to AusAID, which were appropriated in former years and will be returned to the Official Public Account (OPA)

7. Appropriation Bill (No.2 &amp; 4) 2010-11

8. Estimated adjusted balance carried forward from previous years for Administered Annual Appropriations and Administered Assets and Liabilities relates to amounts appropriated in a previous year for multilateral replenishments. The full amount of these replenishments are appropriated in the year the commitment is entered into, with cash payment usually made over a nine to ten year period

9. Estimated opening balance for special accounts (less 'Special Public Money').

10. Other Trust Monies (OTM) and Services for other Government and Non-agency Bodies (SOG) accounts). For further information on special accounts see Table 3.1.1.

Reader note: All figures are GST exclusive.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2010-11 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Agency 2010-11 Measures since Budget**

	Program	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Expense measures</b>					
Overseas development assistance - contribution to the Global Fund to fight AIDS, Tuberculosis and Malaria	1.6				
Administered expenses		20,000	-	70,000	100,000
<b>Total</b>		<b>20,000</b>	<b>-</b>	<b>70,000</b>	<b>100,000</b>
Overseas development assistance - contribution to the GAVI Alliance <sup>1</sup>	1.6				
Administered expenses		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Overseas development assistance - contribution to the Global Agriculture and Food Security Program <sup>2</sup>	1.6				
Administered expenses		25,000	-	-	-
<b>Total</b>		<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Overseas development assistance - Australian Civilian Corps - Haiti Deployment	1.3				
Administered expenses		337	338	-	-
<b>Total</b>		<b>337</b>	<b>338</b>	<b>-</b>	<b>-</b>
Overseas development assistance - fifth replenishment of the Global Environment Facility <sup>3</sup>	1.5				
Administered expenses		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on a Government Financial Statistics (fiscal) basis

**Table 1.2: Agency 2010-11 Measures since Budget (cont.)**

	Program	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Expense measures</b>					
Overseas development assistance - sixteenth replenishment of the International Development Association <sup>4</sup>	1.5				
Administered expenses		-	-	-	-
<b>Total</b>		-	-	-	-
Overseas development assistance - contributions to international debt relief <sup>5</sup>	1.5				
Administered expenses		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Total expense measures</b>					
Administered		45,337	338	70,000	100,000
<b>Total</b>		<b>45,337</b>	<b>338</b>	<b>70,000</b>	<b>100,000</b>

Prepared on a Government Financial Statistics (fiscal) basis

1. This measure has been absorbed from within AusAID's existing resources (refer to MYEFO 2010-11 for detail)
2. The Government will provide an additional \$25 million funding for this measure including \$10 million in 2009-10 and \$15 million met from within AusAID's existing resources (refer to MYEFO 2010-11 for detail)
3. The Government will provide an additional \$45.4 million for this measure which was included as a 'decision taken but not yet announced in the 2010-11 Budget' with an additional \$59.6 million met from AusAID's existing resources (refer to MYEFO 2010-11 for detail)
4. The Government will provide an additional \$329.9 million for this measure (comprised of \$127.3 million in expenses and \$202.6 million in capital) which was included as a 'decision taken but not yet announced in the 2010-11 Budget' an additional \$393.8 million was met from within AusAID's existing resources. The total contribution of \$723.6 million is expected to include both loan and grant components. The estimated effect on the fiscal balance (\$127.3 million) reflects an assumption on the relative proportion of the grant component of the additional funding. The balance reflecting the loan component (\$202.6 million) does not impact on the fiscal or underlying cash balance as the provision of a loan only affects the composition of the Australian Government investment in financial assets. Further detail of this measure will be available in the 2011-12 Budget Paper 2.
5. The Government will provide an additional \$71.9 million for this measure which was included as a 'decision taken but not yet announced in the 2010-11 Budget' with an additional \$34.8 million met from within AusAID's existing resources. Further detail of this measure will be available in the 2011-12 Budget Paper 2.

## 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 2010-11 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 2010-11 Budget**

	Program impacted	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Overseas development assistance - contribution to the Global Fund to fight AIDS, Tuberculosis and Malaria	1.6	20,000	-	70,000	100,000
Overseas development assistance - contribution to the GAVI Alliance <sup>1</sup>	1.6	-	-	-	-
Overseas development assistance - contribution to the Global Agricultural Food Security Program <sup>2</sup>	1.6	25,000	-	-	-
Overseas development assistance - Australian Civilian Corps - Haiti Deployment	1.3	337	338	-	-
Overseas development assistance - fifth replenishment of the Global Environment Facility <sup>3</sup>	1.5	-	-	-	-
Overseas development assistance - sixteenth replenishment of the International Development Association <sup>4</sup>	1.5	-	-	-	-
Overseas development assistance - Australia's contribution to international debt relief <sup>5</sup>	1.5	-	-	-	-
Net impact on estimates for Outcome 1 (administered)		45,337	338	70,000	100,000

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

	Program impacted	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Outcome 1</b>					
Decrease in estimates (administered)					
Revised administered and departmental framework	all	(40,855)	(85,491)	(86,326)	(85,365)
Application of Parameters	all	-	(31,155)	(53,597)	(66,600)
<b>Net impact on estimates for Outcome 1 (administered)</b>		<b>(40,855)</b>	<b>(116,646)</b>	<b>(139,923)</b>	<b>(151,965)</b>
Increase in estimates (departmental)					
Revised administered and departmental framework <sup>1</sup>	DS	39,782	84,636	85,463	84,511
Application of parameters		-	191	193	-
Decrease in estimates (departmental)					
Application of parameters	DS	-	-	-	(61)
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>39,782</b>	<b>84,827</b>	<b>85,656</b>	<b>84,450</b>
<b>Outcome 2</b>					
Decrease in estimates (administered)					
Revised administered and departmental framework	2.1	(57)	-	-	-
<b>Net impact on estimates for Outcome 2 (administered)</b>		<b>(57)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Increase in estimates (departmental)					
Revised administered and departmental framework <sup>1</sup>	DS	56	-	-	-
<b>Net impact on estimates for Outcome 2 (departmental)</b>		<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. Note this amount is lower than the amount transferred from administered due to the application of the efficiency dividend of 1.25 per cent.

## 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) 2010-11**

	2009-10 Available \$'000	2010-11 Budget \$'000	2010-11 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'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	2,833,400	3,420,858	3,669,972	249,114	-
<b>Outcome 2</b>					
Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	3,868	3,668	3,611	-	(57)
<b>Total</b>	<b>2,837,268</b>	<b>3,424,526</b>	<b>3,673,583</b>	<b>249,114</b>	<b>(57)</b>
<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	134,915	213,940	253,722	39,782	-
<b>Outcome 2</b>					
Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	6,009	5,225	5,281	56	-
<b>Total</b>	<b>140,924</b>	<b>219,165</b>	<b>259,003</b>	<b>39,838</b>	<b>-</b>
<b>Total administered and departmental</b>	<b>2,978,192</b>	<b>3,643,691</b>	<b>3,932,586</b>	<b>288,952</b>	<b>(57)</b>

**Table 1.6: Appropriation Bill (No. 4) 2010-11**

	2009-10 Available \$'000	2010-11 Budget \$'000	2010-11 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Outcome 1</b>					
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest					
<b>Non-operating</b>					
Equity injections	2,828	12,326	-	-	-
Departmental Supplementation	-	-	-	-	-
Administered assets and liabilities	6,252	318,815	553,630	234,815	-
<b>Total non-operating</b>					
AusAID					
<b>Total</b>	<b>9,080</b>	<b>331,141</b>	<b>553,630</b>	<b>234,815</b>	<b>-</b>
1. This increase in Administered Assets and Liabilities includes funding for the following measures:					
- \$202.6 million for the sixteenth replenishment of the International Development Association					
- \$10 million for the contribution to the Global Agriculture and Food Security Program (refer to 2010-11 MYEFO for detail)					
- \$12.225 million for the contribution to the International Rice Research institute (refer to 2010-11 MYEFO for detail)					
- \$10 million to the World Bank Palestinian Reform and Development Plan Trust Fund (refer to 2010-11 MYEFO for detail).					

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

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

#### OUTCOME 1

##### Outcome 1 strategy

AusAID's Outcome 1 strategy, key performance indicators and targets as reported in the 2010-11 Portfolio Budget Statements remain unchanged as a result of Additional Estimates.

**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>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 1.1: Official Development Assistance - PNG &amp; Pacific</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	842,180	881,523
Other services (Appropriation Bill No. 2)	3,655	3,813
<b>Total for Program 1.1</b>	<b>845,835</b>	<b>885,336</b>
<b>Program 1.2: Official Development Assistance - East Asia</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	754,957	791,247
<b>Total for Program 1.2</b>	<b>754,957</b>	<b>791,247</b>
<b>Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	701,299	879,284
Special Accounts	5,000	5,000
<b>Total for Program 1.3</b>	<b>706,299</b>	<b>884,284</b>
<b>Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Program</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	239,992	297,689
<b>Total for Program 1.4</b>	<b>239,992</b>	<b>297,689</b>



**Table 2.1 Budgeted Expenses and Resources for Outcome 1 (cont.)**

<b>Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest</b>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 1.5: Official Development Assistance - Multilateral Replenishments</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	372,350
Other services (Appropriation Bill No. 2)	2,439	549,817
Expenses not requiring appropriation in the Budget year		447,587
<b>Total for Program 1.5</b>	<b>2,439</b>	<b>1,369,754</b>
<b>Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	243,400	269,671
<b>Total for Program 1.6</b>	<b>243,400</b>	<b>269,671</b>
<b>Program 1.7: Official Development Assistance - NGO, Volunteer and Community Programs</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	108,386	131,010
<b>Total for Program 1.7</b>	<b>108,386</b>	<b>131,010</b>
<b>Departmental Support</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	131,235	251,207
Revenues from independent sources (s31)	183	462
Expenses not requiring appropriation in the Budget year	-	7,276
<b>Total for Departmental Support</b>	<b>131,418</b>	<b>258,945</b>
<b>Outcome 1 Totals by appropriation type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,971,148	3,622,774
Other services (Appropriation Bill No. 2)	6,252	553,630
Expenses not requiring appropriation in the Budget year		447,587
Special Accounts	6,000	5,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	131,004	251,207
Revenues from independent sources (s31)	231	462
Expenses not requiring appropriation in the Budget year	-	7,276
<b>Total expenses for Outcome 1</b>	<b>3,102,383</b>	<b>4,329,306</b>
	2009-10	2010-11
<b>Average Staffing Level (number)</b>	982	1,041

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

## OUTCOME 2

### Outcome 2 strategy

AusAID's Outcome 2 strategy, key performance indicators and targets as reported in the 2010-11 *Portfolio Budget Statements* remain unchanged as a result of Additional Estimates.

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

<b>Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development</b>	2009-10 Actual expenses \$'000	2010-11 Revised estimated expenses \$'000
<b>Program 2.1: East Asia</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,289	3,611
AIPRD grant special account <sup>1</sup>	49,457	-
AIPRD loans special account <sup>1</sup>	69,613	70,000
<b>Total for Program 2.1</b>	<b>122,359</b>	<b>73,611</b>
<b>Departmental Support</b>		
Departmental expenses		
Departmental item (Bill 1)	3,013	5,281
<b>Total for Departmental Support</b>	<b>3,013</b>	<b>5,281</b>
<b>Outcome 2 Totals by appropriation type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,289	3,611
AIPRD grant special account <sup>1</sup>	49,457	-
AIPRD loans special account <sup>1</sup>	69,613	70,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,013	5,281
<b>Total expenses for Outcome 2</b>	<b>125,372</b>	<b>78,892</b>
	2009-10	2010-11
<b>Average Staffing Level (number)</b>	<b>22</b>	<b>18</b>

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

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

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 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 2010-11 PB Statements is Table 3.1.2.

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

		Opening balance <b>2010-11</b> <i>2009-10</i>	Receipts <b>2010-11</b> <i>2009-10</i>	Payments <b>2010-11</b> <i>2009-10</i>	Adjustments <b>2010-11</b> <i>2009-10</i>	Closing balance <b>2010-11</b> <i>2009-10</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments and Non-Agency Bodies (A)	1	<b>6,002</b>	<b>5,000</b>	<b>5,000</b>	-	<b>6,002</b>
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>571</i>	<i>11,431</i>	<i>6,000</i>	-	<i>6,002</i>
Other Trust Moneys Account (D)	1	-	-	-	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		-	-	-	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A)	2	<b>7,637</b>	-	<b>7,637</b>	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>57,094</i>	-	<i>49,457</i>	-	<i>7,637</i>
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A)	2	<b>208,732</b>	-	<b>70,000</b>	-	<b>138,732</b>
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>278,345</i>	-	<i>69,613</i>	-	<i>208,732</i>
<b>Total Special Accounts</b>						
<b>2010-11 Budget estimate</b>		<b>222,371</b>	<b>5,000</b>	<b>82,637</b>	-	<b>144,734</b>
<i>Total Special Accounts</i>						
<i>2009-10 Actual</i>		<i>336,010</i>	<i>11,431</i>	<i>125,070</i>	-	<i>222,371</i>

(A) = Administered

(D) = Departmental

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

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

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

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

### **3.2.2 Analysis of budgeted financial statements**

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

These statements provide actual results for 2009-10 and the revised Budget for 2010-11 and forward years.

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

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

Total income in 2010-11 is estimated to be \$251.5 million, an increase of \$39.8 million from the 2010-11 Budget estimate. This figure does not include the Departmental Capital Budget (DCB) amount of \$7.427 million which is included in Table 1.1.

The departmental budget has grown by \$39.8 million due to a further transfer of appropriation from administered to departmental to implement a revised classification framework established for AusAID by the Department of Finance and Deregulation.

Total expenses in 2010-11 are estimated to be \$258.5 million.

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

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

AusAID's most significant liability continues to be accrued employee entitlements, as a result of accruing leave entitlements. In 2010-11 this is estimated at \$22.98 million.

**Budgeted departmental statement of cash flows**

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

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

This statement shows changes in equity resulting from the net impact of movements in accumulated results, asset revaluation, other reserves, and contributed equity. Total equity in 2010-11 is estimated to be \$42.3 million.

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

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

In 2010-11 AusAID will receive additional administered appropriation of \$249.1 million (excluding capital funding of \$234.8 million) for programs administered on behalf of the Government.

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

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

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

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

### 3.2.3 Budgeted financial statements

**Table 3.2.1: Budgeted departmental comprehensive income statement (showing net cost of services)**

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>EXPENSES</b>					
Employee benefits	86,551	141,648	168,055	166,836	167,502
Supplier expenses	41,364	109,480	103,652	94,456	90,453
Depreciation and amortisation	6,021	7,276	9,657	13,404	14,520
Finance costs	174	-	-	-	-
Write-down and impairment of assets	78	130	133	136	138
Losses from asset sales	45	-	-	-	-
Foreign exchange rate losses	15	-	-	-	-
<b>Total expenses</b>	<b>134,248</b>	<b>258,534</b>	<b>281,497</b>	<b>274,832</b>	<b>272,613</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	58	231	231	231	231
<b>Total revenue</b>	<b>58</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>
<b>Gains</b>					
Foreign exchange gains	23	-	-	-	-
Other	183	122	125	129	133
<b>Total gains</b>	<b>206</b>	<b>122</b>	<b>125</b>	<b>129</b>	<b>133</b>
<b>Total own-source income</b>	<b>264</b>	<b>353</b>	<b>356</b>	<b>360</b>	<b>364</b>
<b>Net cost of (contribution by) services</b>	<b>133,984</b>	<b>258,181</b>	<b>281,141</b>	<b>274,472</b>	<b>272,249</b>
Revenue from Government	141,293	251,207	272,049	261,837	257,608
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>7,309</b>	<b>(6,974)</b>	<b>(9,092)</b>	<b>(12,635)</b>	<b>(14,641)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	252	-	-	-	-
<b>Total other comprehensive income</b>	<b>252</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>7,561</b>	<b>(6,974)</b>	<b>(9,092)</b>	<b>(12,635)</b>	<b>(14,641)</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>7,561</b>	<b>(6,974)</b>	<b>(9,092)</b>	<b>(12,635)</b>	<b>(14,641)</b>

**Note: Reconciliation of operating result attributable to the agency**

	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
<b>Operating result attributable to the Australian Government</b>	7,309	<b>(6,974)</b>	(9,092)	(12,635)	(14,641)
plus non-appropriated expenses depreciation and amortisation expenses	-	<b>7,276</b>	9,657	13,404	14,520
<b>Operating result attributable to the Agency</b>	7,309	302	565	769	(121)

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	586	955	955	955	955
Trade and other receivables	29,526	31,505	32,892	34,507	35,325
<b>Total financial assets</b>	<b>30,112</b>	<b>32,460</b>	<b>33,847</b>	<b>35,462</b>	<b>36,280</b>
<b>Non-financial assets</b>					
Leasehold improvements	17,988	17,907	20,283	19,776	19,761
Infrastructure, plant and equipment	9,899	23,357	33,679	30,026	24,959
Intangibles	1,163	133	-	-	-
Other	3,089	3,089	3,089	3,089	3,089
<b>Total non-financial assets</b>	<b>32,139</b>	<b>44,486</b>	<b>57,051</b>	<b>52,891</b>	<b>47,809</b>
<b>Total assets</b>	<b>62,251</b>	<b>76,946</b>	<b>90,898</b>	<b>88,353</b>	<b>84,089</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	4,810	4,811	4,811	4,811	4,811
Other	2,124	2,124	2,124	2,124	2,124
<b>Total payables</b>	<b>6,934</b>	<b>6,935</b>	<b>6,935</b>	<b>6,935</b>	<b>6,935</b>
<b>Provisions</b>					
Employee provisions	21,064	22,980	23,669	24,379	25,111
Other	4,692	4,692	4,692	4,692	4,692
<b>Total provisions</b>	<b>25,756</b>	<b>27,672</b>	<b>28,361</b>	<b>29,071</b>	<b>29,803</b>
<b>Total liabilities</b>	<b>32,690</b>	<b>34,607</b>	<b>35,296</b>	<b>36,006</b>	<b>36,738</b>
<b>Net assets</b>	<b>29,561</b>	<b>42,339</b>	<b>55,602</b>	<b>52,347</b>	<b>47,351</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	21,245	40,998	63,353	72,733	82,309
Reserves	626	626	626	626	626
Retained surplus (accumulated deficit)	7,690	715	(8,377)	(21,012)	(35,584)
<b>Total parent entity interest</b>	<b>29,561</b>	<b>42,339</b>	<b>55,602</b>	<b>52,347</b>	<b>47,351</b>
<b>Total equity</b>	<b>29,561</b>	<b>42,339</b>	<b>55,602</b>	<b>52,347</b>	<b>47,351</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of changes in equity — summary of movement (Budget year 2010-11)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2010</b>					
Balance carried forward from previous period	7,689	626	-	21,245	29,560
Adjustment for changes in accounting policies					
<b>Adjusted opening balance</b>	<b>7,689</b>	<b>626</b>	<b>-</b>	<b>21,245</b>	<b>29,560</b>
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity:					
Gain/loss on revaluation of property	(6,974)	-	-	-	(6,794)
	-	-	-	-	-
<b>Sub-total comprehensive income</b>	<b>(6,974)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,794)</b>
Surplus (deficit) for the period	-	-	-	-	-
<b>Total comprehensive income recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	12,326	12,326
Appropriation (departmental capital budget)	-	-	-	7,427	7,427
Other	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,753</b>	<b>19,753</b>
<b>Estimated closing balance as at 30 June 2011</b>	<b>715</b>	<b>626</b>	<b>-</b>	<b>40,998</b>	<b>42,339</b>

Prepared on Australian Accounting Standards basis.



**Table 3.2.4: Budgeted departmental statement of cash flows (as at 30 June)**

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	699	231	231	231	231
Appropriations	127,395	251,144	271,134	260,698	257,277
Employee provision transfer	814	-	-	-	-
Net GST received	2,901	1,031	1,031	1,031	1,031
<b>Total cash received</b>	<b>131,809</b>	<b>252,406</b>	<b>272,396</b>	<b>261,960</b>	<b>258,539</b>
<b>Cash used</b>					
Employees	85,051	142,199	169,391	167,627	168,237
Suppliers	44,589	109,838	103,005	94,333	90,302
<b>Total cash used</b>	<b>129,640</b>	<b>252,037</b>	<b>272,396</b>	<b>261,960</b>	<b>258,539</b>
<b>Net cash from (used by) operating activities</b>	<b>2,169</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of infrastructure, plant and equipment	23	-	-	-	-
<b>Total cash received</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of infrastructure, plant and equipment	4,939	19,753	22,355	9,380	9,576
Purchase of leasehold improvements	2,707	-	-	-	-
Purchase of intangibles	19	-	-	-	-
<b>Total cash used</b>	<b>7,665</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>Net cash from (used by) investing activities</b>	<b>(7,642)</b>	<b>(19,753)</b>	<b>(22,355)</b>	<b>(9,380)</b>	<b>(9,576)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	5,792	19,753	22,355	9,380	9,576
<b>Total cash received</b>	<b>5,792</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>Net increase (decrease) in cash held</b>	<b>319</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	<b>267</b>	<b>586</b>	<b>955</b>	<b>955</b>	<b>955</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>586</b>	<b>955</b>	<b>955</b>	<b>955</b>	<b>955</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital budget statement — departmental**

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	-	7,427	8,325	9,340	9,536
Equity injections - Bill 2	2,828	12,326	14,030	40	40
<b>Total capital appropriations</b>	<b>2,828</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	2,828	19,753	22,355	9,380	9,576
<b>Total Items</b>	<b>2,828</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
<b>ASSETS</b>					
Funded by capital appropriations	2,828	12,326	14,030	40	40
Funded by capital appropriation - DCB	-	7,427	8,325	9,340	9,536
Funded internally from departmental resources <sup>1</sup>	6,749	-	-	-	-
<b>TOTAL</b>	<b>9,577</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	<b>9,577</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>
<b>Total cash used to acquire assets</b>	<b>9,577</b>	<b>19,753</b>	<b>22,355</b>	<b>9,380</b>	<b>9,576</b>

Prepared on Australian Accounting Standards basis.

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

**Table 3.2.6: Statement of asset movements (2010-11)**

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2010</b>				
Gross book value	18,858	10,463	8,797	<b>38,118</b>
Accumulated depreciation/amortisation and impairment	(870)	(564)	(7,634)	<b>(9,068)</b>
<b>Opening net book balance</b>	<b>17,988</b>	<b>9,899</b>	<b>1,163</b>	<b>29,050</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - other	2,389	17,251	113	<b>19,753</b>
<b>Total additions</b>	<b>2,389</b>	<b>17,251</b>	<b>113</b>	<b>19,753</b>
<b>Other movements</b>				
Assets held for sale or in a disposal group held for sale				
Depreciation/amortisation expense	(2,470)	(3,663)	(1,143)	<b>(7,276)</b>
Disposals <sup>#</sup>				
From disposal of entities or operations (including restructuring)				
Other		(130)		<b>(130)</b>
<b>As at 30 June 2011</b>				
Gross book value	21,247	27,714	8,910	57,871
Accumulated depreciation/amortisation and impairment	(3,340)	(4,227)	(8,777)	(16,344)
<b>Closing net book balance</b>	<b>17,907</b>	<b>23,357</b>	<b>133</b>	<b>41,397</b>

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity**

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation revenue</b>					
Interest	3,476	3,499	4,393	5,286	-
Other	-	8,605	9,465	10,412	11,453
<b>Total non-taxation revenue</b>	<b>3,476</b>	<b>12,104</b>	<b>13,858</b>	<b>15,698</b>	<b>11,453</b>
<b>Total revenues administered on behalf of Government</b>	<b>3,476</b>	<b>12,104</b>	<b>13,858</b>	<b>15,698</b>	<b>11,453</b>
<b>Gains</b>					
Sale of assets	112	-	-	-	-
Foreign exchange	3,866	-	-	-	-
Other	339,706	-	-	-	-
<b>Total gains administered on behalf of Government</b>	<b>343,684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income administered on behalf of Government</b>	<b>347,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
International Development Assistance	2,525,662	2,982,665	3,218,936	3,519,201	3,496,780
Aid program	396,329	436,009	502,511	569,154	641,092
IDA/ADF grants	-	206,012	-	79,382	78,751
Finance costs	134,069	-	-	-	-
Depreciation and amortisation	2,009	1,699	1,703	2,713	1,507
Concessional loan discount	-	59,500	59,500	58,094	-
Concessional investment discount	-	447,587	-	224,024	275,003
Write-down and impairment of assets	70	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>3,058,139</b>	<b>4,133,472</b>	<b>3,782,650</b>	<b>4,452,568</b>	<b>4,493,133</b>

Prepared on Australian Accounting Standards basis.

**Table3.2.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	14,604	45,684	45,647	45,647	45,647
AIPRD Loans receivables	48,540	59,040	69,540	79,792	79,792
IDA/ADF investments	1,146,053	1,216,058	1,216,058	1,230,182	1,270,182
Appropriation receivable	-	2,249,402	1,985,096	2,362,659	2,659,380
Other	16,520	-	-	-	-
<b>Total financial assets</b>	<b>1,225,717</b>	<b>3,570,184</b>	<b>3,316,341</b>	<b>3,718,280</b>	<b>4,055,001</b>
<b>Non-financial assets</b>					
Leasehold improvements	5,564	5,170	6,250	7,839	9,192
Infrastructure, plant and equipment	5,930	6,784	6,346	4,564	4,255
Intangibles	4,933	4,747	4,602	4,558	4,540
Other	1,956	1,956	1,956	1,956	1,956
<b>Total non-financial assets</b>	<b>18,383</b>	<b>18,657</b>	<b>19,154</b>	<b>18,917</b>	<b>19,943</b>
<b>Total assets administered on behalf of Government</b>	<b>1,244,100</b>	<b>3,588,841</b>	<b>3,335,495</b>	<b>3,737,197</b>	<b>4,074,944</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
IDA/ADF investment payable	-	1,178,349	985,361	1,009,939	1,009,553
IDA/ADF grants payable	-	302,450	248,077	269,625	289,097
Aid program payable	-	272,435	300,131	167,009	243,913
Grants	336,279	-	-	-	-
Other	760,373	210,093	210,093	210,093	210,093
<b>Total payables</b>	<b>1,096,652</b>	<b>1,963,327</b>	<b>1,743,662</b>	<b>1,656,666</b>	<b>1,752,656</b>
<b>Provisions</b>					
Other	8,215	8,215	8,215	8,215	8,215
<b>Total provisions</b>	<b>8,215</b>	<b>8,215</b>	<b>8,215</b>	<b>8,215</b>	<b>8,215</b>
<b>Total liabilities administered on behalf of Government</b>	<b>1,104,867</b>	<b>1,971,542</b>	<b>1,751,877</b>	<b>1,664,881</b>	<b>1,760,871</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	62,494	62,494	62,494	62,494	62,494
Other	791	-	-	-	-
<b>Total cash received</b>	<b>63,285</b>	<b>62,494</b>	<b>62,494</b>	<b>62,494</b>	<b>62,494</b>
<b>Cash used</b>					
International development assistance	2,700,100	3,413,298	3,214,020	3,727,656	4,001,787
Grant payments	495,954	584,161	702,897	848,447	701,334
Concessional finance costs	134,054	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>3,330,108</b>	<b>3,997,459</b>	<b>3,916,917</b>	<b>4,576,103</b>	<b>4,703,121</b>
<b>Net cash from (used by) operating activities</b>	<b>(3,266,823)</b>	<b>(3,934,965)</b>	<b>(3,854,423)</b>	<b>(4,513,609)</b>	<b>(4,640,627)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of infrastructure, plant and equipment	131	-	-	-	-
<b>Total cash received</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of infrastructure, plant and equipment	10,891	1,973	2,200	2,476	2,533
Purchase of concessional financial instruments	14,452	0	0	0	0
<b>Total cash used</b>	<b>25,343</b>	<b>1,973</b>	<b>2,200</b>	<b>2,476</b>	<b>2,533</b>
<b>Net cash from (used by) investing activities</b>	<b>(25,343)</b>	<b>(1,973)</b>	<b>(2,200)</b>	<b>(2,476)</b>	<b>(2,533)</b>
<b>Net increase (decrease) in cash held</b>	<b>(3,292,035)</b>	<b>(3,936,938)</b>	<b>(3,856,623)</b>	<b>(4,516,085)</b>	<b>(4,643,160)</b>
Cash and cash equivalents at beginning of reporting period	11,306	14,064	45,684	45,647	45,647
Cash from Official Public Account for:					
- Appropriations	3,317,213	3,487,970	3,926,933	4,348,331	4,400,187
- Capital injections	61,332	555,603	6,068	244,576	321,581
	<b>3,378,545</b>	<b>4,043,573</b>	<b>3,933,001</b>	<b>4,592,907</b>	<b>4,721,768</b>
Cash to Official Public Account for:					
- Appropriations	(16,037)	(7,840)	(8,700)	(9,647)	(11,433)
- GST transfer to the OPA	(67,175)	(67,175)	(67,715)	(67,175)	(67,175)
	<b>(83,212)</b>	<b>(75,015)</b>	<b>(76,415)</b>	<b>(76,822)</b>	<b>(78,608)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>14,604</b>	<b>45,684</b>	<b>45,647</b>	<b>45,647</b>	<b>45,647</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of administered capital budget**

	Actual 2009-10 \$'000	Revised budget 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (ACB)	-	1,973	2,200	2,476	2,532
Administered assets and liabilities - Bill 2	6,252	553,630	3,868	242,100	319,049
<b>Total capital appropriations</b>	<b>6,252</b>	<b>555,603</b>	<b>6,068</b>	<b>244,576</b>	<b>321,581</b>
<b>Total new capital appropriations Represented by:</b>					
Purchase of non-financial assets	-	1,973	2,200	2,476	2,532
Other Items	6,252	553,630	3,868	242,100	319,049
<b>Total Items</b>	<b>6,252</b>	<b>555,603</b>	<b>6,068</b>	<b>244,576</b>	<b>321,581</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - ACB	-	1,973	2,200	2,476	2,532
Funded internally from departmental resources <sup>1</sup>	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>1,973</b>	<b>2,200</b>	<b>2,476</b>	<b>2,532</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	-	1,973	2,200	2,476	2,532
<b>Total cash used to acquire assets</b>	<b>-</b>	<b>1,973</b>	<b>2,200</b>	<b>2,476</b>	<b>2,532</b>

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

- annual and prior year appropriations
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts
- proceeds from the sale of assets

**Table 3.2.11: Statement of administered asset movements (2010-11)**

	Buildings or infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2010</b>			
Gross book value	5,790	6,279	17,630
Accumulated depreciation/amortisation and impairment	(226)	(349)	(1,203)
<b>Opening net book balance</b>	<b>5,564</b>	<b>5,930</b>	<b>16,427</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase - other	675	1298	1,973
<b>Total additions</b>	<b>675</b>	<b>1,298</b>	<b>1,973</b>
<b>Other movements</b>			
Depreciation/amortisation expense	(1,069)	(444)	(1,699)
Other			
<b>As at 30 June 2011</b>			
Gross book value	6,465	7,577	19,603
Accumulated depreciation/amortisation and impairment	(1,295)	(793)	(2,902)
<b>Closing net book balance</b>	<b>5,170</b>	<b>6,784</b>	<b>16,701</b>

Prepared on Australian Accounting Standards basis.



## 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.

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

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	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.