

Australian Agency for International Development (AusAID)

Agency resources and planned performance

AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

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AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The 2010-11 Budget reaffirms the Government's ongoing commitment to scale up Australia's development assistance program to 0.5 per cent of Gross National Income (GNI) by 2015-16.

It is in Australia's national interest to increase the level of Australian aid to help people and governments of developing countries achieve economic stability and development.

Australia's ability and commitment to an increased aid program is in line with Australia's world economic position. It will assist developing countries recover from the global economic and food crises. It will help them adapt to the challenges of climate change. It will help developing countries work towards sustainable economic growth. It will help them reduce poverty and progress towards the United Nations (UN) Millennium Development Goals (MDGs). This commitment will be taken forward through a series of new policy measures in the areas of education, health disability, climate change and an expanded program in African countries, Indonesia and Afghanistan.

Increased assistance to Indonesia will improve access to and quality of basic education, fund primary health services and further improve economic and public sector management.

The Australian Government is committed to broadening our engagement with Africa with a particular focus on capacity building and poverty reduction. Funding to Africa will support Africa's progress towards achieving the MDGs in areas where Australia has a comparative advantage and has already invested, such as food security, maternal and child health, and water and sanitation. Australia will also help build Africa's human resource capacity through an expanded scholarships program.

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

AusAID Budget Statements

AusAID will work with developing countries and other donors to promote economic growth and access to services. Improved infrastructure initiatives will include transport, communications, energy and water and sanitation. Australian support will fund high priority basic infrastructure and strengthen developing partners' capacity to maintain and enhance investments of Government infrastructure.

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

AusAID, together with humanitarian agencies such as the World Food Program, will increase emergency, humanitarian and refugee support to relieve humanitarian crises, address the needs of people displaced by conflict, and improve disaster preparedness response and risk reduction.

In 2010-11, AusAID will undertake a review, jointly with partner governments, of advisers working in the aid program to ensure maximum effectiveness of our programs and value for money. The Government is committed to ensuring that Australian aid has the maximum possible impact on poverty and economic development overseas.

As aid expenditure increases towards the 0.5 per cent of GNI target, AusAID will continue to develop its planning systems, operational approaches and reporting systems to ensure increased Australian aid spending is effective.

For detail in regards to official development assistance (ODA) flows and further detail on the implementation of the 2010-11 budget measures designed to take forward the Government's development assistance priorities, please refer to the associated budget paper "Australia's International Development Assistance Program 2010-11 - Statement by Minister for Foreign Affairs and Parliamentary Secretary for International Development Assistance."

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: AusAID Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010

	Estimate of prior + year amounts available in 2010-11 \$'000	Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	20,498	-	20,498	-
Departmental appropriation ³	-	219,165	219,165	139,013
s31 Relevant agency receipts ⁵	-	231	231	231
Total	20,498	219,396	239,894	139,244
Administered expenses				
Outcome 1	1,790,357	3,420,858	5,211,215	2,833,400
Outcome 2	-	3,668	3,668	3,868
Total	1,790,357	3,424,526	5,214,883	2,837,268
Total ordinary annual services	A 1,810,855	3,643,922	5,454,777	2,976,512
Other services⁶				
Administered Revenue				
Outcome 1	-	4,538	4,538	4,538
Total	-	4,538	4,538	4,538
Departmental non-operating				
Equity injections	-	12,326	12,326	2,828
Previous years' programs	-	-	-	-
Total	-	12,326	12,326	2,828
Administered non-operating				
Administered assets and liabilities	-	318,815	318,815	6,252
Total	-	318,815	318,815	6,252
Total other services	B -	335,679	335,679	13,618
Total available annual appropriations	1,810,855	3,979,601	5,790,456	2,990,130
Total special appropriations	C -	-	-	-
Total appropriations excluding Special Accounts	1,810,855	3,979,601	5,790,456	2,990,130

Table 1.1: AusAID Resource Statement — Budget Estimates for 2010-11 as at Budget May 2010 (continued)

	Estimate of prior + year amounts available in 2010-11 \$'000	Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Special Accounts				
Opening balance ⁷	208,345	-	208,345	335,439
Appropriation receipts ⁸	-	-	-	-
Non-appropriation receipts to Special Accounts	-	5,000	5,000	-
Total Special Account D	208,345	5,000	213,345	335,439
Total resourcing				
A+B+C+D	2,019,200	3,984,601	6,003,801	3,325,569
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
Total net resourcing for AusAID	2,019,200	3,984,601	6,003,801	3,325,569

1. Appropriation Bill (No.1) 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). For accounting purposes this amount has been designated as 'contributions by owners'
4. The actual available appropriation for 2009-10 for Departmental Appropriation is net of an amount of \$1.9 million appropriated to AusAID but quarantined by the Department of Finance and Deregulation pending a review of the funding model for the overseas owned property estate. The outcome of the review will be considered by Government in the context of the 2011-12 Budget. All agencies have their actual available appropriations in the Appropriation Bills presented net of any quarantined amounts.
5. s31 Relevant Agency receipts - estimate
6. Appropriation Bill (No.2) 2010-11
7. Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies (OTM) and Services for other Government and Non-agency Bodies (SOG) accounts). For further information on special accounts see Table 3.1.2.
8. Appropriation receipts from AusAID annual appropriations for 2009-10 included above.

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

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

Table 1.2: AusAID 2010-11 Budget measures

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Expense measures						
Overseas development assistance - development partnership with Indonesia	1.2					
Administered expenses		-	19,000	41,300	70,450	117,800
Departmental expenses		-	4,589	16,993	16,209	16,502
Total		-	23,589	58,293	86,659	134,302
Overseas development assistance - enhancing education	1.3					
Administered expenses		-	29,387	53,559	95,747	116,959
Departmental expenses		-	568	2,170	2,123	2,156
Total		-	29,955	55,729	97,870	119,115
Overseas development assistance - investing in health						
Administered expenses	1.3	-	14,300	41,000	50,000	60,000
Departmental expenses	DS	-	568	2,171	2,123	2,156
Total		-	14,868	43,171	52,123	62,156
Overseas development assistance - increased assistance to Africa						
Administered expenses	1.3	-	32,000	65,000	86,000	109,000
Departmental expenses	DS	-	4,935	12,269	12,252	12,452
Total		-	36,935	77,269	98,252	121,452
Overseas development assistance - development accessible to all						
Administered expenses	1.3	-	2,000	6,000	8,400	12,000
Departmental expenses	DS	-	452	455	458	461
Total		-	2,452	6,455	8,858	12,461
Australia's civilian engagement in Afghanistan - an integrated whole-of- government approach						
Administered expenses	1.3	-	47,600	31,700	-	-
Departmental expenses	DS	-	12,747	12,821	-	-
Total		-	60,347	44,521	-	-
Overseas development assistance - climate change - International Climate Change Adaptation Initiative						
Administered expenses	1.3	-	-	78,000	99,000	-
Departmental expenses	DS	-	-	599	604	-
Total		-	-	78,599	99,604	-

DS = Departmental Support

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: AusAID 2010-11 Budget measures (cont.)

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Expense measures cont						
Overseas development assistance - climate change - multilateral climate change financing						
Administered expenses	1.3	5,000	-	40,000	60,000	-
Departmental expenses	DS	-	-	600	604	-
Total		5,000	-	40,600	60,604	-
Overseas development assistance - climate change - bilateral partnerships						
Administered expenses	1.3	-	-	5,000	10,000	-
Departmental expenses		-	-	-	-	-
Total		-	-	5,000	10,000	-
Total expense measures						
Administered		5,000	144,287	361,559	479,597	415,759
Departmental		-	23,859	48,078	34,373	33,727
Total		5,000	168,146	409,637	513,970	449,486
Capital measures						
Overseas development assistance - development partnership with Indonesia						
Departmental capital	DS	-	1,400	4,200	-	-
Total		-	1,400	4,200	-	-
Overseas development assistance - enhancing education						
Departmental capital	DS	-	-	1,050	-	-
Total		-	-	1,050	-	-
Overseas development assistance - investing in health						
Departmental capital	DS	-	-	1,050	-	-
Total		-	-	1,050	-	-
Overseas development assistance - increased assistance to Africa						
Departmental capital	DS	-	5,910	7,070	-	-
Total		-	5,910	7,070	-	-
Australia's civilian engagement in Afghanistan - an integrated whole-of-government approach						
Departmental capital	DS	-	3,970	-	-	-
Total		-	3,970	-	-	-
Total capital measures						
Departmental		-	11,280	13,370	-	-
Total		-	11,280	13,370	-	-

DS = Departmental Support

Prepared on a Government Finance Statistics (fiscal) basis.

Measures announced between 2009-10 Budget and 2010-11 Budget but not yet reported in a subsequent portfolio statement

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
Measures						
Overseas development assistance - contribution to stabilisation in northern Sri Lanka						
Administered expenses	1.2	24,631	-	-	-	-
Departmental expenses	DS	369	-	-	-	-
Total		25,000	-	-	-	-
Overseas development assistance - climate change - International Forest Carbon Initiative						
Administered expenses	1.3	-	-	28,000	28,000	-
Total		-	-	28,000	28,000	-
Total measures						
Administered		24,631	-	28,000	28,000	-
Departmental		369	-	-	-	-
Total		25,000	-	28,000	28,000	-

Prepared on a Government Finance Statistics (fiscal) basis

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

AusAID contributes to two outcomes. The performance of AusAID in achieving these two outcomes is assessed and monitored by using those performance indicators and targets detailed under each outcome description.

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

Outcome 1 Strategy

As highlighted in the Strategic Direction Statement for the Agency, AusAID will, in 2010-11, advance the Government's objective of assisting developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.

In 2010-11 AusAID will manage increased funding as the development program grows to meet the Government's long-term commitment to increase Australia's ODA to 0.5 per cent of GNI by 2015-16.

Outcome Expense and Resource Statement

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

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 1.1: Official Development Assistance - PNG & Pacific		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	865,838	903,399
Other services (Appropriation Bill No. 2)	3,655	3,813
Total for Program 1.1	869,493	907,212
Program 1.2: Official Development Assistance - East Asia		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	772,518	803,400
Total for Program 1.2	772,518	803,400
Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	665,054	878,974
Special Accounts	5,000	5,000
Total for Program 1.3	670,054	883,974
Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Program		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	221,621	299,745
Total for Program 1.4	221,621	299,745
Program 1.5: Official Development Assistance - Multilateral Replenishments		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	448,145
Other services (Appropriation Bill No. 2)	2,439	315,002
Total for Program 1.5	2,439	763,147
Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	227,505	225,310
Total for Program 1.6	227,505	225,310
Program 1.7: Official Development Assistance - NGO, Volunteer and Community Programs		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	110,278	135,113
Total for Program 1.7	110,278	135,113
Departmental Support		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	134,915	206,513
Revenues from independent sources (s31)	231	462
Expenses not requiring appropriation in the Budget year	-	7,276
Total for Departmental Support	135,146	214,251

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

	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,833,400	3,420,858
Other services (Appropriation Bill No. 2)	6,252	318,815
Special Accounts	5,000	5,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	134,915	206,513
Revenues from independent sources (s31)	231	462
Expenses not requiring appropriation in the Budget year	-	7,276
Total expenses for Outcome 1	2,979,798	3,958,924
	2009-10	2010-11
Average Staffing Level (number)	885	945

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

Contributions to Outcome 1

In addition to AusAID managing and monitoring development assistance programs implemented in accordance with the policies of the Government and priorities of developing countries, AusAID also provides policy advice and analysis to the Government on international development issues.

AusAID tracks and reports on performance at two main levels:

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

In 2009, the Australian National Audit Office audited AusAID's management of the expanding aid program and recommended additional performance indicators. New indicators in response to the audit are detailed against each program below.

AusAID will be introducing an Operational Policy and Management Framework to guide future management of the aid program. It will change the approach to Australian aid program management and may impact on the performance indicators and targets used to assess and monitor the performance of the AusAID in achieving government outcomes.

Activity level

The Australian development assistance program is made up of over 1,000 individual aid activities. These include aid projects, training and scholarships, funding to multilateral organisations and non-government organisations (NGOs), technical advice and funding for partner country programs through their own budget. The performance of activities is assessed through a quality reporting system. Ratings are based on self assessments by activity managers and subjected to peer review. Ratings are also spot audited by the Office of Development Effectiveness.

Activity-level reporting occurs at three stages of the activity cycle: at entry, during implementation and at completion. Ratings are made against several quality principles, notably the extent to which objectives are likely to be, are being, or have been met; whether outcomes will last beyond the life of the activity; and the adequacy of monitoring and evaluation systems.

Activities are rated on a six-point scale from very poor to very high quality. Activities rated four or higher are considered satisfactory. This includes activities that are of adequate quality but need improvement. Activities rated below adequate (three or less) are considered unsatisfactory. Where Australian support is provided through another development organisation, AusAID assesses the performance of the organisation.

AusAID seeks to exceed a target of 75 per cent of activities (or organisations) achieving a satisfactory quality rating against the effectiveness criterion during implementation. A new indicator will be introduced this year to report on compliance with the quality system. AusAID seeks to achieve a target of 90 per cent of activities complying with the Quality at Implementation process.

Strategy level

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

Strategy level objectives are specified in country, regional or global strategies. Progress is assessed by program managers annually and reported in annual program performance reports which are subject to external peer review. Strategy objectives are rated in terms of their likelihood to be achieved within the timeframe. This level of reporting is new to AusAID and is considered a benchmark for international aid transparency. AusAID seeks to surpass a target of 75 per cent of country and regional program strategy objectives to be fully or partially achieved. A new indicator with a target of completing 100 per cent of strategies for country, regional or thematic programs will be introduced this year.

AusAID Budget Statements

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

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

Program 1.1 Official Development Assistance – PNG & Pacific

Program 1.1 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	865,838	903,399	1,034,599	1,083,764	1,023,189
Administered item (Bill 2)	3,655	3,813	3,908	4,025	4,130
Total program expenses	869,493	907,212	1,038,507	1,087,789	1,027,319

Key Performance Indicators

- Significant development results.
- Significant activity outputs.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- Strategies in place for 100 per cent of country, regional and thematic programs.
- 90 per cent compliance with Quality at Implementation process.

Program 1.2 Official Development Assistance – East Asia

Program 1.2 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	772,518	803,400	974,999	1,109,727	1,145,755
Total program expenses	772,518	803,400	974,999	1,109,727	1,145,755

Program 1.2 Key Performance Indicators

- Significant development results.
- Significant activity outputs.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- Strategies in place for 100 per cent of country, regional and thematic programs.
- 90 per cent compliance with Quality at Implementation process.

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

Program 1.3 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	665,054	878,974	855,715	969,161	974,587
Special Account Expenses:					
Services for other Governments and non agency bodies	5,000	5,000	5,000	5,000	5,000
Total program expenses	670,054	883,974	860,715	974,161	979,587

Program 1.3 Key Performance Indicators

- Significant development results.
- Significant activity outputs.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- Strategies in place for 100 per cent of country, regional or thematic programs.
- 90 per cent of activities report in accordance with AusAID quality systems during implementation.

Program 1.4 Official Development Assistance – Emergency, Humanitarian and Refugee Program

Program 1.4 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	221,621	299,745	328,614	348,863	351,777
Total program expenses	221,621	299,745	328,614	348,863	351,777

Program 1.4 Key Performance Indicators

- Significant organisation outputs.
- Significant humanitarian results.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- 90 per cent compliance with Quality at Implementation process.

Program 1.5 Official Development Assistance – Multilateral Replenishments

Program 1.5 objective and deliverables

- To assist developing countries through contributions to multilateral organisations.

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	-	448,145	74,967	303,406	388,567
Administered item (Bill 2)	2,439	315,002	-	238,145	315,002
Total program expenses	2,439	763,147	74,967	541,551	703,569

Program 1.5 Key Performance Indicators

- Significant organisation outputs.
- Significant development results.
- At least 75 per cent of organisations receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- 90 per cent compliance with Quality at Implementation process.

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

Program 1.6 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	227,505	225,310	429,652	503,060	511,037
Total program expenses	227,505	225,310	429,652	503,060	511,037

Program 1.6 Key Performance Indicators

- Significant organisation outputs.
- Significant development results.
- At least 75 per cent of organisations receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- 90 per cent compliance with Quality at Implementation process.

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

Program 1.7 objective and deliverables

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	110,278	135,113	140,912	146,416	150,186
Total program expenses	110,278	135,113	140,912	146,416	150,186

Program 1.7 Key Performance Indicators

- Significant organisation outputs.
- Significant development results.
- At least 75 per cent of activities receive a satisfactory quality rating.
- At least 75 per cent of program strategy objectives fully or partially achieved.
- 90 per cent compliance with Quality at Implementation process.

Departmental Support: Outcome 1

Program objective

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

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual departmental expenses:					
Departmental item (Bill 1)	134,915	206,513	187,221	176,180	173,158
Revenues from independent sources (s31)	231	462	462	462	462
Expenses not requiring appropriation in the Budget year	-	7,276	9,657	13,404	14,520
Total program expenses	135,146	214,251	197,340	190,046	188,140

Departmental Support Key Performance Indicators

- Ministerial and Parliamentary satisfaction.
- Implementation of the aid program's Performance Assessment and Management Policy, including production of the Annual Review of Development Effectiveness.

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

Outcome 2 Strategy

AusAID's second outcome reflects the Government's commitment to the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD) which was established after the 2004 tsunami. The AIPRD is part of the overall Australian official development assistance program managed by AusAID.

The AIPRD is funded through \$500 million in grants and \$500 million in highly concessional loan funds held in two special accounts. All AIPRD funds have been committed to high priority reconstruction and development activities currently being implemented in Indonesia, all grants will be fully expended in 2009-10. The Indonesia bilateral program is funded under Outcome 1.

Outcome Expense and Resource Statement

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

Table 2.1: Budgeted Expenses and Resources for Outcome 2

Outcome 2: Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
Program 2.1: East Asia		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,868	3,668
AIPRD grant special account ¹	57,094	-
AIPRD loans special account ¹	70,000	70,000
Total for Program 2.1	130,962	73,668
Departmental Support		
Departmental expenses		
Departmental item (Bill 1)	6,009	5,225
Total for Departmental Support	6,009	5,225
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,868	3,668
AIPRD grant special account ¹	57,094	-
AIPRD loans special account ¹	70,000	70,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	6,009	5,225
Total expenses for Outcome 2	136,971	78,893
	2009-10	2010-11
Average Staffing Level (number)	22	18

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

Contributions to Outcome 2

Program 2.1 Official Development Assistance – East Asia
Program 2.1 objective and deliverables
<ul style="list-style-type: none"> To continue to assist Indonesia in reconstruction and development post the 2004 Tsunami.

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual administered expenses:					
Administered item (Bill 1)	3,868	3,668	-	-	-
Special Account Expenses:					
AIPRD grants special account ¹	57,094	-	-	-	-
AIPRD loans special account ¹	70,000	70,000	70,000	68,094	-
Total program expenses	130,962	73,668	70,000	68,094	-

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

Program 2.1 Key Performance Indicators
<ul style="list-style-type: none"> Significant development results. Significant activity outputs. At least 75 per cent of activities receive a satisfactory rating. At least 75 per cent of program strategy objectives fully or partially achieved. 90 per cent compliance with Quality at Implementation process.

Departmental Support: Outcome 2
Program objective
<ul style="list-style-type: none"> To assist with the implementation of the AIPRD in Indonesia.

Program expenses

	2009-10 Revised budget \$'000s	2010-11 Budget \$'000s	2011-12 Forward year 1 \$'000s	2012-13 Forward year 2 \$'000s	2013-14 Forward year 3 \$'000s
Annual departmental expenses:					
Departmental item (Bill 1)	6,009	5,225	-	-	-
Total program expenses	6,009	5,225	-	-	-

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year.

There has been no movement of administered funds between years for AusAID.

3.1.2 Special Accounts

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

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2010-11 <i>2009-10</i>	Receipts 2010-11 <i>2009-10</i>	Payments 2010-11 <i>2009-10</i>	Adjustments 2010-11 <i>2009-10</i>	Closing balance 2010-11 <i>2009-10</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments and Non-Agency Bodies (A).	1	571	5,000	5,000	-	571
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>571</i>	<i>5,000</i>	<i>5,000</i>	-	<i>571</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	-	-	-	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>57,094</i>	-	<i>57,094</i>	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A).	2	208,345	-	70,000	-	138,345
<i>Financial Management and Accountability Act 1997 s.20</i>		<i>278,345</i>	-	<i>70,000</i>	-	<i>208,345</i>
Total Special Accounts						
2010-11 Budget estimate		208,916	5,000	75,000	-	138,916
<i>Total Special Accounts</i>						
<i>2009-10 estimate actual</i>		<i>336,010</i>	<i>5,000</i>	<i>132,094</i>	-	<i>208,916</i>

(A) = Administered
(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure

Outcome 1	Appropriations				Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000	Total approp \$'000			
AusAID							
Outcome 1							
Departmental 2010-11	100	-	-	-	-	100	DS
<i>Departmental 2009-10</i>	<i>44</i>	-	-	-	-	<i>44</i>	<i>DS</i>
Total outcome 2010-11	100	-	-	-	-	100	DS
<i>Total outcome 2009-10</i>	<i>44</i>	-	-	-	-	<i>44</i>	<i>DS</i>
Total departmental 2010-11	100	-	-	-	-	100	DS
<i>Total departmental 2009-10</i>	<i>44</i>	-	-	-	-	<i>44</i>	<i>DS</i>
Total AGIE 2010-11	100	-	-	-	-	100	DS
<i>Total AGIE 2009-10</i>	<i>44</i>	-	-	-	-	<i>44</i>	<i>DS</i>

DS = departmental support

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;
- International Development Association replenishments – investment component.

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

3.2.2 Analysis of budgeted financial statements

Budgeted departmental income statement

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

The net cost of services in 2010–11 is estimated to be \$218.6 million, an increase of \$77.3 million from the 2009–10 estimated actual. The departmental budget has grown by \$23.9 million due to new funding to manage the expanded aid program and \$45.0 million due to a transfer of appropriation from administered to departmental to enable the implementation of a new classification guideline established for AusAID by the Department of Finance and Deregulation.

Total expenses are estimated to be \$219.2 million, an increase of \$77.6 million from the 2009–10 estimated actual. The increase is primarily due to costs associated with managing an increased volume of development assistance. The income statement shows a budgeted deficit in 2010–11 of \$7.3 million, due to the removal of funding for depreciation and amortisation under the net cash funding arrangements.

Budgeted departmental balance sheet

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

AusAID's budgeted net asset position of \$40.9 million is an increase of \$12.5 million over the 2009–10 estimated actual net asset position. The increase is attributable to the

capital injections related to new and prior year measures received through the 2010-11 Budget.

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 \$23.0 million.

Budgeted departmental statement of cash flows

This statement shows the budgeted cash flows which 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.

Departmental statement of changes in equity – summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, asset revaluation and other reserves, and contributed equity. Total equity in 2010-11 is estimated to be \$40.9 million, an increase of \$12.5 million from the 2009-10 estimated actual.

Schedule of Administered Activity

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 administered appropriation of \$3,424.5 million (excluding capital funding) for programs administered on behalf of the Government, representing an increase of \$587.3 million from the 2009-10 estimated actual.

Administered expenses for 'Official Development Assistance Program' are budgeted at \$319.7 million, an increase of \$59.1 million from the 2009-10 estimated actual. This amount covers grant payments to UN, Commonwealth and other international organisations.

Administered expenses for 'Other - official development assistance program' are budgeted at \$3,022.6 million, an increase of \$385.0 million from the 2009-10 estimated actual. This amount covers the remainder of the aid program, excluding multilateral replenishments.

The expenses 'Concessional loan discount' relates to the discounting of the AIPRD loans.

The expenses 'Concessional investment discount' relates to the discounting of the investment components of the replenishments for the IDA and the ADF.

AusAID Budget Statements

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 tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	94,605	116,913	131,232	129,307	131,704
Supplier expenses	40,176	94,910	56,905	47,790	42,442
Depreciation and amortisation	6,733	7,276	9,657	13,404	14,520
Write-down and impairment of assets	128	130	133	136	138
Total expenses	141,642	219,229	197,927	190,637	188,804
LESS:					
OWN-SOURCE INCOME					
Revenue					
Other	231	462	462	462	462
Total revenue	231	462	462	462	462
Gains					
Other	118	122	125	129	133
Total gains	118	122	125	129	133
Total own-source income	349	584	587	591	595
Net cost of (contribution by) services	141,293	218,645	197,340	190,046	188,209
Revenue from Government	141,293	211,369	187,683	176,642	173,689
Surplus (Deficit)	-	(7,276)	(9,657)	(13,404)	(14,520)
Surplus (Deficit) attributable to the Australian Government	-	(7,276)	(9,657)	(13,404)	(14,520)
Note: Reconciliation of operating result attributable to the agency					
	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
Operating result attributable to the Australian Government	-	(7,276)	(9,657)	(13,404)	(14,520)
plus non-appropriated expenses depreciation and amortisation expenses	-	7,276	9,657	13,404	14,520
Operating result attributable to the Agency	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	3,387	10,501	4,802	9,766	13,264
Other receivables	26,091	25,299	25,442	27,615	27,615
Total financial assets	29,478	35,800	30,244	37,381	40,879
Non-financial assets					
Leasehold improvements	19,808	19,727	19,097	18,161	17,512
Property, plant and equipment	7,226	20,814	33,987	30,545	25,700
Intangibles	2,722	1,692	1,692	1,692	1,692
Other	4,231	4,231	4,231	4,231	4,231
Total non-financial assets	33,987	46,464	59,007	54,629	49,135
Total assets	63,465	82,264	89,251	92,010	90,014
LIABILITIES					
Payables					
Suppliers	8,249	13,902	7,657	14,084	16,850
Other	4,510	4,510	4,510	4,510	4,510
Total payables	12,759	18,412	12,167	18,594	21,360
Provisions					
Employee provisions	22,311	22,980	23,669	24,379	25,111
Total provisions	22,311	22,980	23,669	24,379	25,111
Total liabilities	35,070	41,392	35,836	42,973	46,471
Net assets	28,395	40,872	53,415	49,037	43,543
EQUITY*					
Parent entity interest					
Contributed equity	23,756	43,509	65,709	74,735	83,761
Reserves	374	374	374	374	374
Retained surplus (accumulated deficit)	4,265	(3,011)	(12,668)	(26,072)	(40,592)
Total parent entity interest	28,395	40,872	53,415	49,037	43,543
Total equity	28,395	40,872	53,415	49,037	43,543

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: 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
Opening balance as at 1 July 2010					
Balance carried forward from previous period	4,265	374	-	23,756	28,395
Adjusted opening balance	4,265	374	-	23,756	28,395
Comprehensive income					
Surplus (deficit) for the period	(7,276)	-	-	-	(7,276)
Total comprehensive income recognised directly in equity	(7,276)	-	-	-	(7,276)
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	12,326	12,326
Appropriation (departmental capital budget)	-	-	-	7,427	7,427
Sub-total transactions with owners	-	-	-	19,753	19,753
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2011	(3,011)	374	-	43,509	40,872

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	841	462	462	462	462
Appropriations	131,716	191,616	165,483	167,616	164,663
Net GST Received	123	130	179	151	134
Total cash received	132,680	192,208	166,124	168,229	165,259
Cash used					
Employees	93,717	116,244	130,543	128,597	130,972
Suppliers	29,145	68,850	41,280	34,668	30,789
Total cash used	122,862	185,094	171,823	163,265	161,761
Net cash from (used by) operating activities	9,818	7,114	(5,699)	4,964	3,498
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of assets	51	-	-	-	-
Total cash received	51	-	-	-	-
Cash used					
Purchase of property, plant and equipment	9,577	19,753	22,200	9,026	9,026
Total cash used	9,577	19,753	22,200	9,026	9,026
Net cash from (used by) investing activities	(9,526)	(19,753)	(22,200)	(9,026)	(9,026)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,828	19,753	22,200	9,026	9,026
Total cash received	2,828	19,753	22,200	9,026	9,026
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	2,828	19,753	22,200	9,026	9,026
Net increase (decrease) in cash held	3,120	7,114	(5,699)	4,964	3,498
Cash and cash equivalents at the beginning of the reporting period	267	3,387	10,501	4,802	9,766
Cash and cash equivalents at the end of the reporting period	3,387	10,501	4,802	9,766	13,264

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Departmental capital budget - Bill 1 (DCB)	-	7,427	8,170	8,986	8,986
Equity injections - Bill 2	2,828	12,326	14,030	40	40
Total capital appropriations	2,828	19,753	22,200	9,026	9,026
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	2,828	19,753	22,200	9,026	9,026
Total Items	2,828	19,753	22,200	9,026	9,026
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	2,828	12,326	14,030	40	40
Funded by capital appropriation - DCB	-	7,427	8,170	8,986	8,986
Funded internally from departmental resources ¹	6,749	-	-	-	-
TOTAL	9,577	19,753	22,200	9,026	9,026
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,577	19,753	22,200	9,026	9,026
Total cash used to acquire assets	9,577	19,753	22,200	9,026	9,026

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

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	25,556	12,657	10,500	48,713
Accumulated depreciation/amortisation and impairment	(5,748)	(5,431)	(7,778)	(18,957)
Opening net book balance	19,808	7,226	2,722	29,756
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	12,326	-	12,326
By purchase - appropriation ordinary annual services	2,389	4,925	113	7,427
Total additions	2,389	17,251	113	19,753
Other movements				
Depreciation/amortisation expense	(2,470)	(3,663)	(1,143)	(7,276)
As at 30 June 2011				
Gross book value	27,945	29,908	10,613	68,466
Accumulated depreciation/amortisation and impairment	(8,218)	(9,094)	(8,921)	(26,233)
Closing net book balance	19,727	20,814	1,692	42,233

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Interest	2,606	3,499	4,393	5,286	-
Other	4,538	4,811	5,099	5,405	5,729
Total non-taxation revenue	7,144	8,310	9,492	10,691	5,729
Total revenues administered on behalf of Government	7,144	8,310	9,492	10,691	5,729
Gains					
Other	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total income administered on behalf of Government	7,144	8,310	9,492	10,691	5,729
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
IDA/ADF grants	-	78,751	-	79,382	78,751
Official Development Assistance Program	260,591	319,701	504,619	503,060	545,850
Other - Official Development Assistance Program	2,637,645	3,022,600	3,333,136	3,655,218	3,643,987
Depreciation and amortisation	1,533	1,699	1,703	2,713	1,507
Concessional loan discount	59,500	59,500	59,500	58,094	-
Concessional investment discount	-	275,003	-	224,024	275,003
Total expenses administered on behalf of Government	2,959,269	3,757,254	3,898,958	4,522,491	4,545,098

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	11,306	11,306	11,306	11,306	11,306
Appropriation receivable	1,790,357	1,926,778	1,669,335	1,644,094	1,795,604
AIPRD loan receivable	41,127	51,627	62,127	72,379	72,379
IDA/ADF Investment	887,015	927,014	927,014	941,138	981,138
Other	11,249	11,566	11,568	11,568	11,568
Total financial assets	2,741,054	2,928,291	2,681,350	2,680,485	2,871,995
Non-financial assets					
Leasehold improvements	1,128	734	1,784	3,284	4,491
Property, plant and equipment	2,579	3,433	2,995	1,213	904
Intangibles	2,693	2,507	2,362	2,318	2,300
Other	368	368	368	368	368
Total non-financial assets	6,768	7,042	7,509	7,183	8,063
Total assets administered on behalf of Government	2,747,822	2,935,333	2,688,859	2,687,668	2,880,058
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	344,489	366,025	368,685	368,684	368,684
Development assistance Program	155,454	173,374	205,864	166,925	162,761
IDA/ADF grants payable	248,091	275,189	224,814	251,526	277,268
IDA/ADF investment payable	834,818	975,764	804,381	861,122	992,446
Other	-	-	-	-	-
Total payables	1,582,852	1,790,352	1,603,744	1,648,257	1,801,159
Provisions					
Other	152	152	152	152	152
Total provisions	152	152	152	152	152
Total liabilities administered on behalf of Government	1,583,004	1,790,504	1,603,896	1,648,409	1,801,311

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	84,436	92,828	86,830	92,758	95,858
Other	4,538	4,811	5,099	5,405	5,729
Total cash received	88,974	97,639	91,929	98,163	101,587
Cash used					
Development assistance Program	3,342,116	3,533,218	4,007,249	4,069,401	3,881,651
Net GST paid	85,168	93,524	86,221	93,754	97,165
Total cash used	3,427,284	3,626,742	4,093,470	4,163,155	3,978,816
Net cash from (used by) operating activities	(3,338,310)	(3,529,103)	(4,001,541)	(4,064,992)	(3,877,229)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	-	1,973	2,170	2,387	2,386
Total cash used	-	1,973	2,170	2,387	2,386
Net cash from (used by) investing activities	-	(1,973)	(2,170)	(2,387)	(2,386)
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	85,168	93,524	86,221	93,754	97,165
Cash from equity injections	6,252	318,815	3,909	242,170	319,133
Total cash received	91,420	412,339	90,130	335,924	416,298
Cash used					
Net repayment of borrowings	84,436	92,828	86,830	92,758	95,858
Other	4,538	4,811	5,099	5,405	5,729
Total cash used	88,974	97,639	91,929	98,163	101,587
Net cash from (used by) financing activities	(2,446)	(314,700)	1,799	(237,761)	(314,711)
Net increase (decrease) in cash held					
Cash and cash equivalents at beginning of reporting period	11,306	11,306	11,306	11,306	11,306
Cash from Official Public Account for:					
- Appropriations	3,130,509	3,479,790	4,003,726	4,364,758	4,338,366
- Special Accounts	127,904	75,000	75,000	75,000	5,000
Cash and cash equivalents at end of reporting period	11,306	11,306	11,306	11,306	11,306

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Departmental capital budget - Bill 1 (ACB)	-	1,973	2,170	2,387	2,386
Administered assets and liabilities - Bill 2 ¹	6,252	318,815	3,909	242,170	319,133
Total capital appropriations	6,252	320,788	6,079	244,557	321,519
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	-	1,973	2,170	2,387	2,386
Other Items	6,252	318,815	3,909	242,170	319,133
Total Items	6,252	320,788	6,079	244,557	321,519
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB	-	1,973	2,170	2,387	2,386
Funded internally from administered resources ²	1,794	-	-	-	-
TOTAL	1,794	1,973	2,170	2,387	2,386
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,794	1,973	2,170	2,387	2,386
Total cash used to acquire assets	1,794	1,973	2,170	2,387	2,386

ACB = Administered Capital Budget

1. Administered assets and liabilities relates to funding received for new and existing multilateral replenishments.
2. Includes the following sources of funding:
 - annual and prior year appropriations
 - donations and contributions
 - gifts
 - internally developed assets

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Schedule of Asset Movements - Administered

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	2,307	9,257	3,224	14,788
Accumulated depreciation/amortisation and impairment	(1,179)	(6,678)	(531)	(8,388)
Opening net book balance	1,128	2,579	2,693	6,400
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	675	1,298	-	1,973
Total additions	675	1,298	-	1,973
Other movements				
Depreciation/amortisation expense	(1,069)	(444)	(186)	(1,699)
As at 30 June 2011				
Gross book value	2,982	10,555	3,224	16,761
Accumulated depreciation/amortisation and impairment	(2,248)	(7,122)	(717)	(10,087)
Closing net book balance	734	3,433	2,507	6,674

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Departmental Financial Statements and Schedule of Administered Activity

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

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

Appropriations in the budgeting framework

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

- Departmental appropriations: representing the Government's funding for agency programs;
- Departmental capital budget appropriations: representing the Government's funding through additional equity for the replacement of existing agency assets as they reach the end of their useful life;
- Departmental capital appropriations: for new investments by the Government through additional equity;
- Administered expense appropriations: for the estimated administered expenses relating to specific programs; and
- Administered capital appropriations: for increases in administered equity through funding non-expense administered payments.

Asset Valuation

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