

# **Australian Trade Commission (Austrade)**

## **Agency resources and planned performance**



# AUSTRALIAN TRADE COMMISSION (AUSTRADE)

<b>Section 1: Agency overview and resources</b> .....	<b>69</b>
1.1 Strategic Direction Statement.....	69
1.2 Agency Resource Statement.....	71
1.3 Budget Measures.....	72
<b>Section 2: Outcomes and planned performance</b> .....	<b>73</b>
2.1 Outcomes and performance information .....	73
<b>Section 3: Explanatory tables and budgeted financial statements</b> .....	<b>81</b>
3.1 Explanatory tables .....	81
3.2 Budgeted Financial Statements.....	83



# AUSTRALIAN TRADE COMMISSION (AUSTRADE)

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

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

Austrade's outcomes are:

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

To achieve its outcomes and meet its responsibilities, in 2010-11 Austrade will:

- Enhance Australia's national prosperity through assisting Australian enterprises to capture international business opportunities to sustain growth, employment and investment.
- Increase the capability and capacity of Australian industry to compete in international markets through:
  - attracting productive foreign direct investment; and
  - supporting the sustainable development of Australia's international education and training services.
- Contribute a commercial, international perspective to inform policy development, including through identifying barriers to trade and investment.

Austrade operates through a global network of offices, with representatives overseas in 104 locations in 55 countries. Within Australia, Austrade has 18 offices.

A core element of Austrade's strategy is to apply its resources to maximum effect by working in partnership across all levels of Government and with extended networks in the private sector for the delivery of services, the development of strategies and to contribute to policy.

- from 2010-11 the Government has allocated \$14.4 million over four years for Austrade to continue to deliver a TradeStart program. The future program will aim to increase collaboration with delivery partners.

## *Austrade Budget Statements*

Austrade's priorities for 2010-11 comprise:

- Deepening Australia's engagement in priority markets including China and India and free trade agreement markets such as the Association of South-East Asian Nations (ASEAN), as well as developing links in emerging markets.
- Working with industry to build and increase Australia's share of global markets in selected sectors in order to capitalise on global supply chains, with particular focus on government priorities in clean energy and the environment, automotive manufacturing and financial services.
- Promoting the sustainable development of Australia's international education and training engagement and international recognition of Australia's education system
  - from 1 July 2010, responsibility for the international marketing and promotion of education will be transferred from the Department of Education, Employment and Workplace Relations to Austrade.
- Promoting Australia's attractiveness as a destination for foreign direct investment and as a source of innovation, competitive products and services, with a skilled workforce.
- Working with state and territory governments to secure productive foreign direct investment in Australia that complements or capitalises on domestic capabilities.
- Promoting use of Brand Australia as an international brand to promote Australia as a global citizen and business partner, helping to advance Australia's image and reputation in areas such as trade, investment, innovation, diplomacy, international education and tourism.
- Administering the Export Market Development Grants (EMDG) scheme in accordance with the *Export Market Development Grants Act 1997*.
- Utilising Austrade's global, commercial perspective to provide advice to the Government to assist Australia's export performance.
- Delivering high quality export and investment services and advice and intelligence on overseas markets to Australian businesses to establish and successfully grow their export and international business outcomes.
- Enhancing Australian community and business awareness of the importance of trade and investment.
- Delivering consular, passport and other government services in designated overseas locations.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Austrade Resource Statement — Budget Estimates for 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
<b>Ordinary annual services<sup>1</sup></b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>2</sup>	27,075 <sup>5</sup>	290	27,365	19,039
Departmental appropriation <sup>3</sup>		198,025	198,025	189,994
s31 Relevant agency receipts <sup>4</sup>		26,000	26,000	26,000
<b>Total</b>	<b>27,075</b>	<b>224,315</b>	<b>251,390</b>	<b>235,033</b>
<b>Administered expenses</b>				
Outcome 1	-	150,400	150,400	200,400
<b>Total</b>	<b>-</b>	<b>150,400</b>	<b>150,400</b>	<b>200,400</b>
<b>Total ordinary annual services</b>	<b>A 27,075</b>	<b>374,715</b>	<b>401,790</b>	<b>435,433</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	7,352	-	7,352	10,672
Previous years' programs	-	-	-	11,847
<b>Total other services</b>	<b>B 7,352</b>	<b>-</b>	<b>7,352</b>	<b>22,519</b>
<b>Total available annual appropriations</b>	<b>34,427</b>	<b>374,715</b>	<b>409,142</b>	<b>457,952</b>

1. Appropriation Bill (No.1) 2010-11
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Includes an amount of \$14.16 million 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. s31 Relevant Agency receipts – estimate. This includes \$0.25 million in s31 receipts for the proceeds from sales of property, plant and equipment.
5. Estimated adjusted balance carried from previous year for Annual Appropriations. Funds are required for Austrade to meet obligations to maintain the Agencies asset base and meet employee entitlement liabilities.

**Reader note: All figures are GST exclusive.**

### 1.3 BUDGET MEASURES

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

**Table 1.2: Austrade 2010-11 Budget measures**

	Program	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000
<b>Expense measures</b>						
Australian Trade Commission - extension of TradeStart <sup>1</sup>	1.1	-	-	-	-	-
Information and Communication Technology Business-as-Usual Reinvestment Fund	1.1	290	-	-	-	-
<b>Total Departmental Expenses</b>		<b>290</b>	-	-	-	-

1. The Government is providing \$14.2 million over four years for the measure *Australian Trade Commission – extension of TradeStart*. As this amount is already included in the Forward Estimates, the table shows zero funding.

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.

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

<b>Outcome 1: Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments</b>
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#### **Outcome 1 Strategy**

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

- (i) enhance Australia's national prosperity by:
  - (a) assisting Australian enterprises to capture international business opportunities to sustain growth, employment and investment; and
  - (b) facilitating productive foreign direct investment into Australia
- (ii) increase the capability/capacity of Australian industry to compete in international markets through:
  - (a) attracting productive foreign direct investment; and
  - (a) supporting the sustainable development of Australia's international education and training services
- (iii) build awareness of Australia's international competitiveness and contribute a global, commercial perspective to inform policy development.

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

## 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**

<b>Outcome 1: Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments</b>	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
<b>Program 1.1: Trade and investment development</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	159,826	174,448
Depreciation Expense	16,000	16,429
Revenues from independent sources (s31)	23,650	23,650
<b>Total for Program 1.1</b>	<b>199,476</b>	<b>214,527</b>
<b>Program 1.2: Trade development schemes (EMDG)</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	200,400	150,400
<b>Total for Program 1.2</b>	<b>200,400</b>	<b>150,400</b>
<b>Outcome 1 Totals by appropriation type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	200,400	150,400
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	159,826	174,448
Depreciation Expense	16,000	16,429
Revenues from independent sources (s31)	23,650	23,650
<b>Total expenses for Outcome 1</b>	<b>399,876</b>	<b>364,927</b>
	2009-10	2010-11
<b>Average Staffing Level (number)</b>	<b>977</b>	<b>1,009</b>

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

## Contributions to Outcome 1

### Program 1.1: Trade and investment development

#### Program 1.1 Objective

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

#### Program 1.1 Expenses

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual departmental expenses:					
Departmental item	199,476	214,527	214,904	211,466	209,488
<b>Total program expenses</b>	<b>199,476</b>	<b>214,527</b>	<b>214,904</b>	<b>211,466</b>	<b>209,488</b>

#### Program 1.1 Deliverables

- Deliver market development initiatives in priority and emerging markets and coordinate responses to opportunities in those markets. A particular focus will be placed on the expansion of Australia's presence in India.
- Deliver industry development initiatives through the Automotive Market Access Program, Clean Energy Trade and Investment Strategy, positioning of Australia as a financial services centre and other industry initiatives.
- Promote the sustainable development of Australia's international education and training services, and support the international standing of Australia's education system as world class and globally connected.
- Deliver Global Opportunities clusters in priority sectors, to position them to take advantage of opportunities in key international markets and attract complementary high value-added foreign direct investment.
- Attract productive foreign direct investment to Australia.
- Implement the Brand Australia program and promote its use by Austrade and other Australian Government agencies.

- Deliver the Australian Export Awards, Business Club Australia and other events to raise business and community understanding of trade and investment and to recognise Australia's international business achievements.
- Lead the promotion of Australia as a destination for investment and as a source of business capability and competitiveness in overseas markets.
- Contribute a trade and investment development perspective to the whole-of-government policy agenda.
- Deliver Austrade services to individual Australian businesses including advice and market intelligence through Austrade's onshore and offshore networks and delivery channels.
- Build effective international linkages and networks with buyers, investors, decision-makers and institutions in overseas markets.
- Deliver Austrade's services through relationships and partners including through TradeStart and Corporate Partnerships and industry associations.
- Assess applications for the income tax exemption available under Section 23AF of the *Income Tax Assessment Act 1936*, to assist the international competitiveness of Australian companies and government organisations competing to win international tenders.

**Program 1.1 Key Performance Indicators**

- Successful delivery of market development strategies to realise opportunities for Australian businesses in priority and emerging markets.
- Support for the internationalisation of industries through strategic development initiatives, such as the successful establishment of industry clusters and integration into global supply chains in priority sectors.
- International awareness of Australia's business capabilities, and of Australia as a destination for investment and as a source of competitive, high quality goods and services and world class international education system.
- Effective international marketing of education with the support of relevant institutions and stakeholders.
- Attraction of high value-add inward investment in targeted industry sectors through delivery of high quality foreign direct investment prospects, leads and project commitments.

- Effective contribution to whole-of-government policy development utilising Austrade's global, commercial perspective on export and investment.
- Austrade services are valued by Australian businesses.
- Increased collaboration and engagement with stakeholders, including business and industry associations, institutions and state and territory governments.
- Number of clients assisted through Austrade's onshore and offshore networks and delivery channels.
- Community and business awareness of the importance of trade and investment and participation in international business promotional activities and initiatives.

**Program 1.2: Trade development schemes – Export Market Development Grants (EMDG)**

**Program 1.2 Objective**

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

**Program 1.2 Expenses**

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses:					
Administered item	200,400	150,400	150,400	150,400	150,400
<b>Total program expenses</b>	<b>200,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</b>

**Program 1.2 Deliverables**

Administration of the EMDG scheme, providing partial reimbursement for expenditure on eligible export promotion activities.

**Program 1.2 Key Performance Indicators**

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target
Number of grant applications	5,149	5,100
Number of grant recipients	4,910	4,860

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

**Outcome 2 Strategy**

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

**Outcome Expense and Resource Statement**

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

**Table 2.2: Budgeted Expenses and Resources for Outcome 2**

<b>Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas</b>	2009-10 Estimated actual expenses \$'000	2010-11 Estimated expenses \$'000
<b>Program 2.1: Consular and passport services</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	9,712	9,419
Revenues from independent sources (s31)	2,350	2,350
<b>Total for Program 2.1</b>	<b>12,062</b>	<b>11,769</b>
<b>Outcome 2 Totals by appropriation type</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	9,712	9,419
Revenues from independent sources (s31)	2,350	2,350
<b>Total expenses for Outcome 2</b>	<b>12,062</b>	<b>11,769</b>
	2009-10	2010-11
<b>Average Staffing Level (number)</b>	<b>52</b>	<b>52</b>

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

## Contributions to Outcome 2

### Program 2.1: Consular and passport services

#### Program 2.1 Objective

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

#### Program 2.1 Expenses

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual departmental expenses:					
Departmental item	12,062	11,769	11,865	11,944	12,034
<b>Total program expenses</b>	<b>12,062</b>	<b>11,769</b>	<b>11,865</b>	<b>11,944</b>	<b>12,034</b>

#### Program 2.1 Deliverables

- Deliver comprehensive, responsive, high quality consular services while managing increasing case numbers.
- Ensure highly developed crisis management procedures are in place and tested.
- Deliver high quality and responsive passport services and manage increasing passport workload effectively.

#### Program 2.1 Key Performance Indicators

- Delivery of consular services is effective, efficient, timely and responsive.
- Continuous improvement of contingency planning to respond to overseas crises and major events in an effective and timely manner.
- Passports issued in a timely and responsive manner in accordance with agreed standards.

Key Performance Indicators	2009-10 Revised budget	2010-11 Budget target
Passport applications received	13,500	14,175
Number of notarial acts	11,000	12,338



## **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 use of 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 Austrade since the 2009-10 Additional Estimates.

### 3.1.2 Special Accounts

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

**Table 3.1.2: Estimates of Special Account Flows and Balances**

	Outcome	Opening balance	Receipts	Payments	Adjustments	Closing balance
		2010-11	2010-11	2010-11	2010-11	2010-11
		2009-10	2009-10	2009-10	2009-10	2009-10
		\$'000	\$'000	\$'000	\$'000	\$'000
Admin Payments and Receipts for Other Entities Special Account <sup>1</sup> (A)	2	100	9,400	(9,400)	-	100
		100	9,200	(9,200)	-	100
Other Trust Moneys Special Account <sup>2</sup> (D)	1	1,860	550	(1,650)	-	760
		89	3,410	(1,639)	-	1,860
<b>Total Special Accounts 2010-11 Budget estimate</b>		<b>1,960</b>	<b>9,950</b>	<b>(11,050)</b>	<b>-</b>	<b>860</b>
<i>Total Special Accounts 2009-10 estimate actual</i>		<i>189</i>	<i>12,610</i>	<i>(10,839)</i>	<i>-</i>	<i>1,960</i>

- s20 Financial Management and Accountability Act, 1997 Determination 2006/15.
- s20 Financial Management and Accountability Act, 1997 Determination 2006/16.

(A) = Administered  
(D) = Departmental

### 3.1.3 Australian Government Indigenous Expenditure

**Table 3.1.3: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other	Total	Program
	Bill No. 1	Bill No. 2	Special approp	Total approp			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Austrade</b>							
<b>Outcome 1</b>							
Departmental 2010-11	126	-	-	126	-	126	1.1
<i>Departmental 2009-10</i>	<i>85</i>	<i>-</i>	<i>-</i>	<i>85</i>	<i>-</i>	<i>85</i>	<i>1.1</i>
Total outcome 2010-11	126	-	-	126	-	126	1.1
<i>Total outcome 2009-10</i>	<i>85</i>	<i>-</i>	<i>-</i>	<i>85</i>	<i>-</i>	<i>85</i>	<i>1.1</i>
Total departmental 2010-11	126	-	-	126	-	126	1.1
<i>Total departmental 2009-10</i>	<i>85</i>	<i>-</i>	<i>-</i>	<i>85</i>	<i>-</i>	<i>85</i>	<i>1.1</i>
<b>Total AGIE 2010-11</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>-</b>	<b>126</b>	<b>1.1</b>
<i>Total AGIE 2009-10</i>	<i>85</i>	<i>-</i>	<i>-</i>	<i>85</i>	<i>-</i>	<i>85</i>	<i>1.1</i>

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

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

#### **Departmental financial statements**

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

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

This statement provides estimated actual financial results for 2009-10 and the estimated revenue and expenses for 2010-11 and forward years.

Total income in 2010-11 is estimated to be \$209.9 million, which represents a decrease of \$6.1 million in appropriations from the 2009-10 estimated actual, comprising decreases due to:

- the removal of funding for depreciation under the new Net Cash funding arrangements (\$18.0 million); and
- measures agreed in 2009-10 with a full year impact in 2010-11 (\$1.7 million).

Partially offset by:

- marketing and promotion of international education function (\$8.6 million);
- foreign exchange variations (\$4.3 million); and
- parameter adjustments (\$1.6 million).

Austrade is receiving funding of \$14.2 million to fund the Departmental Capital Budget which is treated as an equity injection.

Total estimated expenses for 2010-11 have increased by \$14.8 million to reflect the addition of the marketing and promotion of international education function (\$8.6 million), foreign exchange variations (\$4.3 million) and other variations.

**Budgeted departmental balance sheet**

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

Austrade's budgeted net asset position at the end of 2010-11 of \$57.3 million represents a decrease of \$2.2 million from the 2009-10 estimated actual in table 3.2.1 due to the variation between capital program funding (\$14.2 million) and estimated depreciation expense (\$16.4 million).

**Budgeted departmental statement of cash flows**

This statement shows the extent and nature of cash flows as a result of Austrade's operating, investing and financing activities.

Austrade's cash balance at the end of 2010-11 is estimated to be \$5.5 million.

**Departmental statement of changes in equity — summary of movement**

This statement shows changes in equity resulting from the net impact of movements in accumulated results, assets revaluation and other reserves, and contributed equity.

Total equity at the end of 2010-11 is estimated to be \$57.3 million, a decrease of \$2.2 million due to the variation between capital funding (\$14.2 million) and depreciation expense (\$16.4 million).

**Departmental capital budget statement**

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

**Departmental statement of asset movements**

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

**Schedule of administered activity**

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

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

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

Administered expenses of \$150.4 million for 2010-11 relate to the EMDG scheme. This is comprised of \$142.9 million in grant expenditure and \$7.5 million in expenditure for the costs of administering the EMDG scheme on behalf of the Government.

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

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

Total administered assets and liabilities for 2010-11 are estimated at \$0.1 million and \$4.3 million respectively.

**Schedule of budgeted administered cash flows**

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the EMDG scheme.

### 3.2.2 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
<b>EXPENSES</b>					
Employee benefits	111,463	117,374	117,408	115,846	114,423
Supplier expenses	83,675	92,493	93,946	91,466	89,873
Depreciation and amortisation	16,000	16,429	15,415	16,098	17,226
Write-down and impairment of assets	200	-	-	-	-
Losses from asset sales	200	-	-	-	-
<b>Total expenses</b>	<b>211,538</b>	<b>226,296</b>	<b>226,769</b>	<b>223,410</b>	<b>221,522</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	23,750	23,750	23,750	23,750	23,750
Rental income	500	500	500	500	500
Other	1,500	1,500	1,500	1,500	1,500
<b>Total revenue</b>	<b>25,750</b>	<b>25,750</b>	<b>25,750</b>	<b>25,750</b>	<b>25,750</b>
<b>Gains</b>					
Sale of assets	250	250	250	250	250
<b>Total gains</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Total own-source income</b>	<b>26,000</b>	<b>26,000</b>	<b>26,000</b>	<b>26,000</b>	<b>26,000</b>
<b>Net cost of (contribution by) services</b>	<b>185,538</b>	<b>200,296</b>	<b>200,769</b>	<b>197,410</b>	<b>195,522</b>
Revenue from Government	189,994	183,867	185,354	181,312	178,296
<b>Surplus (Deficit)</b>	<b>4,456</b>	<b>(16,429)</b>	<b>(15,415)</b>	<b>(16,098)</b>	<b>(17,226)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>4,456</b>	<b>(16,429)</b>	<b>(15,415)</b>	<b>(16,098)</b>	<b>(17,226)</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>4,456</b>	<b>(16,429)</b>	<b>(15,415)</b>	<b>(16,098)</b>	<b>(17,226)</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>	4,456	(16,429)	(15,415)	(16,098)	(17,226)
plus non-appropriated expenses depreciation and amortisation expenses	-	16,429	15,415	16,098	17,226
<b>Operating result attributable to the Agency</b>	<b>4,456</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	5,500	5,500	5,500	5,500	5,500
Trade and other receivables	36,471	37,971	39,471	40,971	42,471
<b>Total financial assets</b>	<b>41,971</b>	<b>43,471</b>	<b>44,971</b>	<b>46,471</b>	<b>47,971</b>
<b>Non-financial assets</b>					
Land and buildings	15,572	15,293	15,596	15,822	15,991
Property, plant and equipment	23,576	22,308	22,481	27,185	25,124
Intangibles	15,916	15,192	14,685	17,029	15,970
Other	7,628	7,628	7,628	7,628	7,628
<b>Total non-financial assets</b>	<b>62,692</b>	<b>60,421</b>	<b>60,390</b>	<b>67,664</b>	<b>64,713</b>
<b>Total assets</b>	<b>104,663</b>	<b>103,892</b>	<b>105,361</b>	<b>114,135</b>	<b>112,684</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	8,800	8,800	8,800	8,800	8,800
Other	6,288	6,288	6,288	6,288	6,288
<b>Total payables</b>	<b>15,088</b>	<b>15,088</b>	<b>15,088</b>	<b>15,088</b>	<b>15,088</b>
<b>Provisions</b>					
Employee provisions	30,034	31,534	33,034	34,534	36,034
<b>Total provisions</b>	<b>30,034</b>	<b>31,534</b>	<b>33,034</b>	<b>34,534</b>	<b>36,034</b>
<b>Total liabilities</b>	<b>45,122</b>	<b>46,622</b>	<b>48,122</b>	<b>49,622</b>	<b>51,122</b>
<b>Net assets</b>	<b>59,541</b>	<b>57,270</b>	<b>57,239</b>	<b>64,513</b>	<b>61,562</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	14,612	28,770	44,154	67,526	81,801
Reserves	58,441	58,441	58,441	58,441	58,441
Retained surplus (accumulated deficit)	(13,512)	(29,941)	(45,356)	(61,454)	(78,680)
<b>Total equity</b>	<b>59,541</b>	<b>57,270</b>	<b>57,239</b>	<b>64,513</b>	<b>61,562</b>

\* '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
<b>Opening balance as at 1 July 2010</b>					
Balance carried forward from previous period	(13,512)	19,716	38,725	14,612	59,541
<b>Adjusted opening balance</b>	<b>(13,512)</b>	<b>19,716</b>	<b>38,725</b>	<b>14,612</b>	<b>59,541</b>
Surplus (deficit) for the period	(16,429)	-	-	-	(16,429)
<b>Total comprehensive income recognised directly in equity</b>	<b>(29,941)</b>	<b>19,716</b>	<b>38,725</b>	<b>14,612</b>	<b>43,112</b>
<b>Transactions with owners</b>					
Appropriation (departmental capital budget)	-	-	-	14,158	14,158
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,158</b>	<b>14,158</b>
<b>Estimated closing balance as at 30 June 2011</b>	<b>(29,941)</b>	<b>19,716</b>	<b>38,725</b>	<b>28,770</b>	<b>57,270</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	24,250	24,250	24,250	24,250	24,250
Appropriations	195,086	182,367	183,854	179,812	176,796
Net GST received	5,629	5,705	5,714	5,714	5,714
Other	1,500	1,500	1,500	1,500	1,500
<b>Total cash received</b>	<b>226,465</b>	<b>213,822</b>	<b>215,318</b>	<b>211,276</b>	<b>208,260</b>
<b>Cash used</b>					
Employees	111,263	115,874	115,908	114,346	112,923
Suppliers	84,801	92,493	93,946	91,466	89,873
Net GST paid	5,629	5,705	5,714	5,714	5,714
<b>Total cash used</b>	<b>201,693</b>	<b>214,072</b>	<b>215,568</b>	<b>211,526</b>	<b>208,510</b>
<b>Net cash from (used by) operating activities</b>	<b>24,772</b>	<b>(250)</b>	<b>(250)</b>	<b>(250)</b>	<b>(250)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	250	250	250	250	250
<b>Total cash received</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	25,000	14,158	15,384	23,372	14,275
<b>Total cash used</b>	<b>25,000</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>
<b>Net cash from (used by) investing activities</b>	<b>(24,750)</b>	<b>(13,908)</b>	<b>(15,134)</b>	<b>(23,122)</b>	<b>(14,025)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	1,345	14,158	15,384	23,372	14,275
<b>Total cash received</b>	<b>1,345</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>
<b>Net cash from (used by) financing activities</b>	<b>1,345</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>
<b>Net increase (decrease) in cash held</b>	<b>1,367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	4,133	5,500	5,500	5,500	5,500
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: 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
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	-	14,158	15,384	23,372	14,275
Equity injections - Bill 2	1,345	-	-	-	-
<b>Total capital appropriations</b>	<b>1,345</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>
<b>Applied to:</b>					
Purchase of non-financial assets	1,345	14,158	15,384	23,372	14,275
<b>Total Items</b>	<b>1,345</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation <sup>1</sup>	1,345	14,158	15,384	23,372	14,275
Funded internally from departmental resources <sup>2</sup>	23,655	-	-	-	-
<b>TOTAL</b>	<b>25,000</b>	<b>14,158</b>	<b>15,384</b>	<b>23,372</b>	<b>14,275</b>

1. Does not include annual finance lease costs. From current and previous years Departmental Capital Budgets.
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)**

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2010</b>				
Gross book value	21,764	38,928	40,393	101,085
Accumulated depreciation/amortisation and impairment	6,192	15,352	24,477	46,021
<b>Opening net book balance</b>	<b>15,572</b>	<b>23,576</b>	<b>15,916</b>	<b>55,064</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase	4,501	5,156	4,501	14,158
<b>Total additions</b>	<b>4,501</b>	<b>5,156</b>	<b>4,501</b>	<b>14,158</b>
<b>Other movements</b>				
Depreciation/amortisation expense	4,780	6,424	5,225	16,429
<b>As at 30 June 2011</b>				
Gross book value	26,265	44,084	44,894	115,243
Accumulated depreciation/amortisation and impairment	10,972	21,776	29,702	62,450
<b>Closing net book balance</b>	<b>15,293</b>	<b>22,308</b>	<b>15,192</b>	<b>52,793</b>

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
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Employee benefits	6,526	5,350	5,350	5,350	5,350
Supplier expenses	3,494	2,170	2,170	2,170	2,170
Grants	190,380	142,880	142,880	142,880	142,880
<b>Total expenses administered on behalf of Government</b>	<b>200,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</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)**

	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
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	127	127	127	127	127
<b>Total financial assets</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>
<b>Total assets administered on behalf of Government</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	214	214	214	214	214
Grants	2,000	2,000	2,000	2,000	2,000
Other	92	92	92	92	92
<b>Total payables</b>	<b>2,306</b>	<b>2,306</b>	<b>2,306</b>	<b>2,306</b>	<b>2,306</b>
<b>Provisions</b>					
Employee provisions	2,043	2,043	2,043	2,043	2,043
<b>Total provisions</b>	<b>2,043</b>	<b>2,043</b>	<b>2,043</b>	<b>2,043</b>	<b>2,043</b>
<b>Total liabilities administered on behalf of Government</b>	<b>4,349</b>	<b>4,349</b>	<b>4,349</b>	<b>4,349</b>	<b>4,349</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: 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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	195	195	195	195	195
<b>Total cash received</b>	<b>195</b>	<b>195</b>	<b>195</b>	<b>195</b>	<b>195</b>
<b>Cash used</b>					
Grant payments	190,380	142,880	142,880	142,880	142,880
Suppliers	3,494	2,170	2,170	2,170	2,170
Net GST paid	195	195	195	195	195
Employees	6,526	5,350	5,350	5,350	5,350
<b>Total cash used</b>	<b>200,595</b>	<b>150,595</b>	<b>150,595</b>	<b>150,595</b>	<b>150,595</b>
<b>Net cash from (used by) operating activities</b>	<b>200,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</b>	<b>150,400</b>
<b>Net increase (decrease) in cash held</b>					
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	200,400	150,400	150,400	150,400	150,400
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

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

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

#### **Departmental**

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

#### **Administered**

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