

**PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS 2011-12**

FOREIGN AFFAIRS AND TRADE PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2011-12

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The document must be attributed as the *Portfolio Additional Estimates Statements 2011-12 – Foreign Affairs and Trade Portfolio*.

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**PARLIAMENT HOUSE
CANBERRA 2600**

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

We hereby submit Portfolio Additional Estimates Statements in support of the 2011-12 Additional Estimates for the Foreign Affairs and Trade Portfolio.

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

We present these statements by virtue of our ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

Handwritten signature of Kevin Rudd in black ink.

Kevin Rudd
Minister for Foreign Affairs

Handwritten signature of Craig Emerson in blue ink.

Craig Emerson
Minister for Trade

Abbreviations and conventions

The following notations may be used:

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nfp	not for publication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

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

ENQUIRIES

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

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

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

USER GUIDE

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

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2011-12. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2011-12* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

User guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio overview

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

Agency additional estimates statements

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

Section 1: Agency overview and resources

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

Section 2: Revisions to outcomes and planned performance

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

Section 3: Explanatory tables and budgeted financial statements

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

Glossary

Explains key terms relevant to the Portfolio.

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PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

A full outline of the Foreign Affairs and Trade Portfolio Overview can be found in the *2011-12 Portfolio Budget Statements*.

The Minister for Foreign Affairs and the Minister for Trade remain the two portfolio Ministers. A Parliamentary Secretary for Pacific Island Affairs and a Parliamentary Secretary for Trade continue to support the portfolio Ministers.

ADDITIONAL ESTIMATES AND VARIATIONS – PORTFOLIO LEVEL

The portfolio is seeking a net increase of \$80.9 million in resourcing for 2011-12 as listed below. This includes Bill No. 3 and Bill No. 4 appropriations (Departmental and Administered).

Department of Foreign Affairs and Trade (DFAT) \$23.9 million

Departmental Items

- \$3.151m in adjustments for overseas inflation;
- (\$0.118m) in adjustments for foreign exchange movements;
- \$15.143m in adjustments to passport funding due to a higher than expected number of passports issued in 2010-11; and
- \$0.191m rent adjustment for Ho Chi Minh City Chancery.

Administered Items

- \$0.450m Government contribution towards the Bali Peace Park Project;
- \$1.020m funding an Australian presence at the 2012 Yeosu Expo;
- \$13.558m in adjustments to existing administered programs; and
- (\$9.545m) in adjustments for foreign exchange movements.

Australian Trade Commission (Austrade)

There are no additional measures or variations for Austrade.

Australian Agency for International Development (AusAID) \$53.0 million

Departmental Items

- \$0.400 million for the Australia Mining for Development Initiative.

Administered Items

- \$3.594m for Australian Civilian Corps deployments to Afghanistan;
- \$5.000m for Australia's contribution to the Global Partnership for Education;

Portfolio Overview

- \$30.000m for Australia's contribution to the Horn of Africa Drought and Famine;
- \$10.000m for the Australia Mining for Development Initiative; and
- \$4.000m for the Global Polio Eradication Initiative.

Australian Centre for International Agricultural Research (ACIAR) \$4.0 million

Departmental Items

- \$0.513m (including capital funding) for the establishment of the Australian International Food Security Centre.

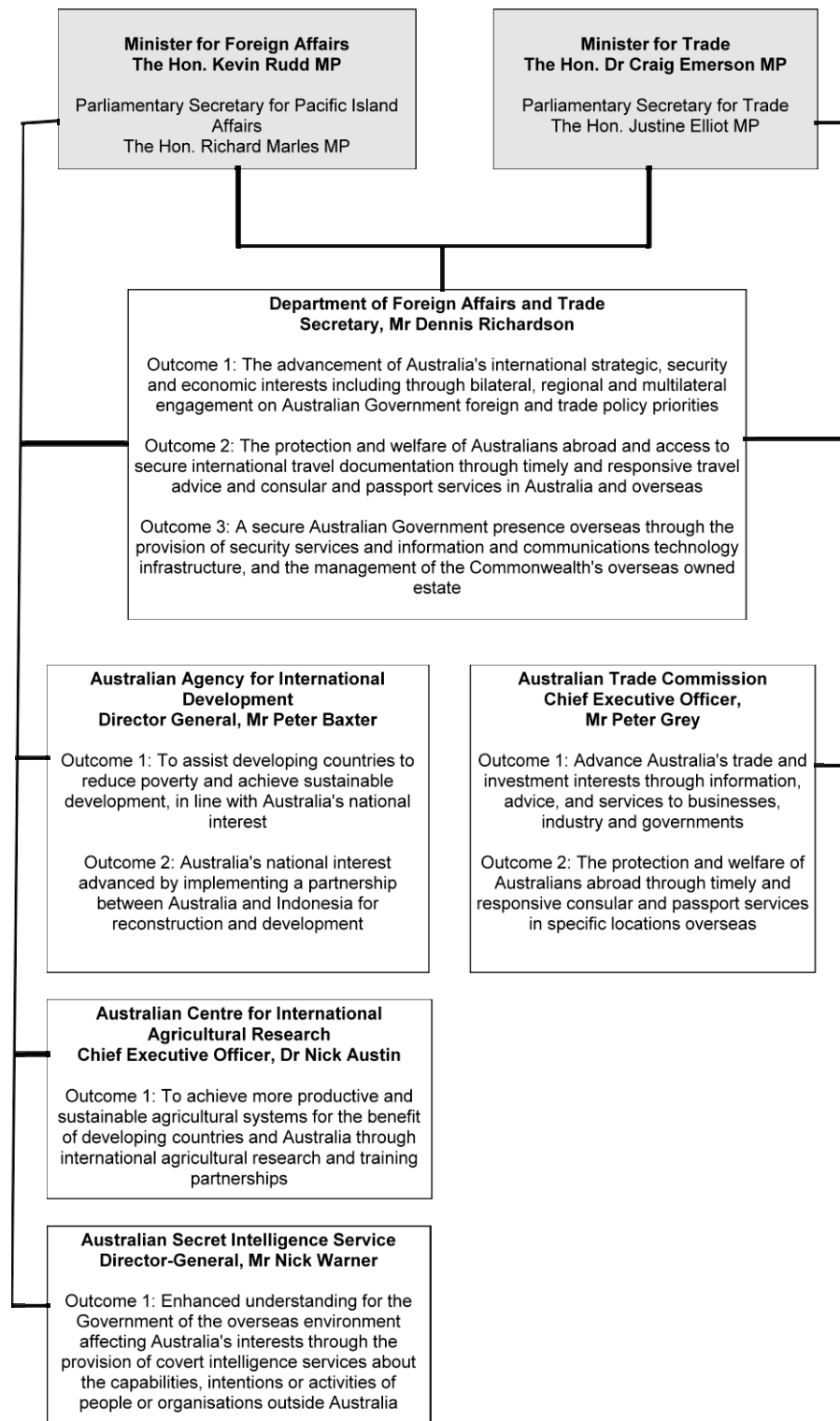
Administered Items

- \$3.500m for the establishment of the Australian International Food Security Centre.

Australian Secret Intelligence Service (ASIS)

There are no additional measures or variations for ASIS.

Figure 1: Foreign Affairs and Trade portfolio structure and outcomes



Portfolio resources

Table 1 shows for those agencies reporting in the Portfolio Additional Estimates Statements the additional resources provided to the portfolio in the 2011-12 budget year, by agency.

Table 1: Portfolio resources 2011-12

	Appropriation			Receipts	Total
	Bill No. 3 \$m	Bill No. 4 \$m	Special \$m	\$m	\$m
Department of Foreign Affairs and Trade					
Administered appropriations	5.5	-	-	-	5.5
Departmental appropriations	18.4	-	-	-	18.4
Total:					23.9
Australian Agency for International Development					
Administered appropriations	52.6	-	-	-	52.6
Departmental appropriations	0.4	-	-	-	0.4
Total:					53.0
Australian Centre of International Agricultural Research					
Administered appropriations	3.5	-	-	-	3.5
Departmental appropriations	0.3	0.2	-	-	0.5
Total:					4.0
Portfolio total					80.9
Less amounts transferred within portfolio					-
					Resources available within portfolio: 80.9

AGENCY ADDITIONAL ESTIMATES STATEMENTS

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DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

To continue to deliver the foreign and trade policy priorities outlined in the *2011-12 Portfolio Budget Statements*, the Government has agreed to fund two further foreign and trade policy initiatives, which will be delivered by the Department.

The Government has agreed to provide funding to support Australia's participation in the 2012 World Expo to be held in Yeosu, Republic of Korea, from 12 May to 12 August. The funding will contribute to the operation of the Australian pavilion and the management of associated programs. The Yeosu Expo (themed "Living Ocean and Coast") will showcase Australia's industries and cutting edge science and research in the marine environment, providing trade and economic opportunities. It will also boost Australia's tourism and education sectors.

The Government has agreed to provide funding for a contribution to the Bali Peace Park Association to assist with the purchase of the Sari Club site in Bali, where 88 Australians were killed and others injured in a terrorist attack in 2002. The site will be used as a memorial for the victims of terrorist attacks, with a park and museum to be constructed on the site.

A full outline of DFAT's Strategic Direction can be found in the *2011-12 Portfolio Budget Statements*.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of Foreign Affairs and Trade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2011-12 Budget year, including variations through Appropriation Bill No. 3, special appropriations and special accounts.

Table 1.1: DFAT resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimate as at Budget	Proposed Additional Estimate	Total estimate at Additional Estimates	Total available appropriation
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	496,286	-	496,286	406,655
Departmental appropriation ³	911,273	18,367	929,640	951,686
s31 Relevant agency receipts ⁴	51,433	-	51,433	71,252
Total	1,458,992	18,367	1,477,359	1,429,593
Administered expenses				
Outcome 1 ⁵	263,890	5,293	269,183	285,935
Outcome 2	750	-	750	750
Payments to CAC Act bodies	6,022	190	6,212	8,275
Total	270,662	5,483	276,145	294,960
Total ordinary annual services	A 1,729,654	23,850	1,753,504	1,724,553
Other services⁶				
Departmental non-operating				
Equity injections	72,005	-	72,005	72,406
Total	72,005	-	72,005	72,406
Total other services	B 72,005	-	72,005	72,406
Total available annual appropriations	1,801,659	23,850	1,825,509	1,796,959
Special appropriations				
Special appropriations limited by amount				
Special Appropriation FMA Act, s28	150	710	860	860
Total special appropriations	C 150	710	860	860
Total appropriations excluding Special Accounts	1,801,809	24,560	1,826,369	1,797,819

Table continued on following page.

Table 1.1: DFAT resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

	Estimate as at Budget	Proposed Additional Estimate	Total estimate at Additional Estimates	Total available appropriation
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
Special Accounts				
Opening balance ⁷	400,664	-	400,664	303,380
Appropriation receipts ⁸	72,189	(968)	71,221	107,331
Appropriation receipts - other agencies ⁹	34,695	(2)	34,693	64,439
Non-appropriation receipts to Special Accounts	9,924	1,197	11,121	26,305
Total Special Account	D 517,472	227	517,699	501,455
Total resourcing				
A+B+C+D	2,319,281	24,787	2,344,068	2,299,274
Less appropriations drawn from				
- annual or special appropriations above and credited to special accounts	(72,189)	968	(71,221)	(107,006)
- and CAC Act bodies through annual appropriations	(6,022)	(190)	(6,212)	(8,275)
Total net resourcing for agency DFAT	2,241,070	25,565	2,266,635	2,183,993

¹ Appropriation Bill (No.1 & 3) 2011-12² Estimated adjusted balance carried from previous year for annual appropriations³ Includes an amount of \$73.446 million in 2011-12 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 - estimate⁵ 2011-12 Portfolio Budget Statements disclosed an appropriation of \$267.228 million which included a provisional amount of \$3.338 million that was not appropriated. The Administered Expenses "Estimate as at Budget" has been restated to \$263.89 million to reflect the amount received in the Appropriation Act (No.1) 2011-12⁶ Appropriation Bill (No.2 & 4) 2011-12⁷ Estimated opening balance for special accounts (less amounts held in 'Special Public Money' accounts; Administered Payments and Receipts for Other Entities Special Account, Consular Services Special Account or Services for Other Entities and Trust Moneys).

For further information on special accounts see Table 3.1.1.

⁸ Appropriation receipts from DFAT annual and special appropriations for 2010-11 included above⁹ Appropriation receipts from other agencies credited to DFAT's special accounts

Reader note: All figures are GST exclusive.

DFAT Additional Estimates Statements

Third Party Drawdowns from and on behalf of other agencies

	Estimate at Budget 2011-12 \$'000	Estimate at Additional Estimates 2011-12 \$'000
Receipts received from other agencies for the provision of services (disclosed above within Departmental section 31)	51,433	51,433
Payments made to CAC Act bodies within the Portfolio Export Finance and Insurance Corporation Appropriation Acts 1 & 2	6,022	6,212

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into expense and capital measures, with the affected program identified.

Table 1.2: Agency 2011-12 Measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Australia's Contribution to Bali Peace Park	1.3				
Administered expenses		450	-	-	-
Total		450	-	-	-
Australia's Participation in Yeosu Expo 2012	1.3				
Administered expenses ¹		8,500	1,500	-	-
Total		8,500	1,500	-	-
Ex Gratia Payments - Families of the Victims of the 2009 Kokoda Plane Crash ²	2.1				
Departmental expenses		-	-	-	-
Ex Gratia Payments - Families of the Victims of September 11 Terrorist Attacks ²	2.1				
Departmental expenses		-	-	-	-
Total		-	-	-	-
Reducing the cost of Government administration - one-off efficiency dividend	1.1, 2.1, 2.2, 3.1				
Departmental expenses		-	(19,707)	(19,492)	(19,709)
Total		-	(19,707)	(19,492)	(19,709)
Total expense measures					
Administered		8,950	1,500	-	-
Departmental			(19,707)	(19,492)	(19,709)
Total		8,950	(18,207)	(19,492)	(19,709)
Capital measures					
Departmental Capital Budgets - Savings					
Departmental Capital	1.1	-	(15,860)	(23,738)	(17,086)
Total		-	(15,860)	(23,738)	(17,086)
Total capital measures					
Administered		-	-	-	-
Departmental			(15,860)	(23,738)	(17,086)
Total		-	(15,860)	(23,738)	(17,086)

Prepared on a Government Financial Statistics (fiscal) basis

¹ Total expense measure for 2011-12 is \$8.5 million. However, the department has \$7.48 million surplus funds in the expositions special account from previous expositions, which the department has attributed to this measure and only requires an additional appropriation of \$1.02 million.

² The measures *Ex Gratia Payments - Families of the Victims of the 2009 Kokoda Plane Crash* and *Ex Gratia Payments - Families of the Victims of September 11 Terrorist Attacks* will be funded through existing departmental resources.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for DFAT at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bill No. 3. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Australia's Contribution to Bali Peace Park					
	1.3	450	-	-	-
Australia's Participation in Yeosu Expo 2012 ¹					
	1.3	1,020	1,500	-	-
Net impact on estimates for Outcome 1 (administered)		1,470	1,500	-	-
Decrease in estimates (departmental)					
Reducing the cost of Government administration - one-off efficiency dividend					
	1.1	-	(9,933)	(9,697)	(9,941)
Net impact on estimates for Outcome 1 (departmental)		-	(9,933)	(9,697)	(9,941)
Outcome 2					
Ex Gratia Payments - Families of the Victims of the 2009 Kokoda Plane Crash ²					
	2.1	-	-	-	-
Ex Gratia Payments - Families of the Victims of September 11 Terrorist Attacks ²					
	2.1	-	-	-	-
Decrease in estimates (departmental)					
Reducing the cost of Government administration - one-off efficiency dividend					
	2.1, 2.2	-	(6,725)	(6,732)	(6,647)
Net impact on estimates for Outcome 2 (Departmental)		-	(6,725)	(6,732)	(6,647)
Outcome 3					
Decrease in estimates (departmental)					
Reducing the cost of Government administration - one-off efficiency dividend					
	3.1	-	(3,049)	(3,063)	(3,121)
Net impact on estimates for Outcome 3 (Departmental)		-	(3,049)	(3,063)	(3,121)

¹ Total expense measure for 2011-12 is \$8.5 million. However, the department has \$7.48 million surplus funds in the expositions special account from previous expositions, which the department has attributed to this measure and only requires and additional appropriation of \$1.02 million.

² The measures *Ex Gratia Payments - Families of the Victims of the 2009 Kokoda Plane Crash* and *Ex Gratia Payments - Families of the Victims of September 11 Terrorist Attacks* will be funded through existing departmental resources.

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Adjustment for rebasing	1.1 & 1.2	13,558	9,389	8,297	7,208
Decrease in estimates (administered)					
Adjustment for within year foreign exchange gain	1.1 & 1.2	(9,545)	(11,469)	(9,747)	(8,707)
Net impact on estimates for Outcome 1 (administered)		4,013	(2,080)	(1,450)	(1,499)
Increase in estimates (departmental)					
Adjustment for overseas inflation	1.1	1,538	1,588	1,568	1,589
Adjustment for domestic inflation	1.1	-	276	269	(1)
Adjustment for Ho Chi Minh City chancery relocation	1.1	92	164	162	164
Decrease in estimates (departmental)		-	-	-	-
Adjustment for foreign exchange rebasing	1.1	(58)	(59)	(59)	(60)
Net impact on estimates for Outcome 1 (departmental)		1,572	1,969	1,940	1,692
Outcome 2					
Increase in estimates (departmental)					
Adjustment for overseas inflation	2.1, 2.2	969	1,075	1,088	1,063
Adjustment for domestic inflation	2.1, 2.2	-	187	187	(1)
Adjustment to Passport funding due to higher than expected passport issues in 2010-11.	2.2	15,143	-	-	-
Adjustment for Ho Chi Minh City chancery relocation	2.1, 2.2	59	112	113	110
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing	2.1, 2.2	(36)	(40)	(40)	(40)
Net impact on estimates for Outcome 2 (departmental)		16,135	1,334	1,348	1,132
Outcome 3					
Increase in estimates (departmental)					
Adjustment for overseas inflation	3.1	644	487	495	499
Adjustment for domestic inflation	3.1	-	84	84	-
Adjustment for Ho Chi Minh City chancery relocation	3.1	40	50	51	52
Decrease in estimates (departmental)					
Adjustment for foreign exchange rebasing	3.1	(24)	(18)	(18)	(19)
Net impact on estimates for Outcome 3 (departmental)		660	603	612	532

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for DFAT through Appropriation Bill No. 3.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
ADMINISTERED ITEMS					
Outcome 1					
The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities	294,210	269,912	275,395	5,483	-
Outcome 2					
The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	750	750	750	-	-
Total	294,960	270,662	276,145	5,483	-

Table continued on following page.

Table 1.5: Appropriation Bill (No. 3) 2011-12 (continued)

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
DEPARTMENTAL ITEMS					
Outcome 1					
The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities	496,818	482,283	483,855	1,572	-
Outcome 2					
The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	281,518	257,732	273,867	16,135	-
Outcome 3					
A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate	173,350	171,258	171,918	660	-
Total	951,686	911,273	929,640	18,367	-
Total administered and departmental	1,246,646	1,181,935	1,205,785	23,850	-

Section 2: Revisions to agency resources and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

OUTCOME 1: THE ADVANCEMENT OF AUSTRALIA'S INTERNATIONAL STRATEGIC, SECURITY AND ECONOMIC INTERESTS INCLUDING THROUGH BILATERAL, REGIONAL AND MULTILATERAL ENGAGEMENT ON AUSTRALIAN GOVERNMENT FOREIGN AND TRADE POLICY PRIORITIES

Outcome 1 Strategy

There is no change to the Department's Outcome Strategy as expressed in the *2011-12 Portfolio Budget Statements*. Measures being funded through Additional Estimates reflect the Government's foreign, trade and security policy priorities through Australia's bilateral, regional and multilateral relationships.

The Government has agreed to provide funding to support Australia's participation in the 2012 World Expo to be held in Yeosu, Republic of Korea, from 12 May to 12 August 2012.

The Government has agreed to provide funding for a contribution to the Bali Peace Park Association to assist with the purchase of the Sari Club site in Bali, for use as a memorial for the victims of the terrorist attacks.

Table 2.1.1 Budgeted Expenses and Resources for Outcome 1

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 1.1: Foreign Affairs and Trade Operations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	11,269	11,006
Departmental expenses		
Departmental appropriation ^{1 & 2}	442,824	450,062
Expenses not requiring appropriation in the Budget year ^{3 & 4}	61,840	64,669
Total for Program 1.1	515,933	525,737
Program 1.2: Payments to International Organisations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	239,803	238,429
Total for Program 1.2	239,803	238,429
Program 1.3: Public Information and Public Diplomacy		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	23,842	24,940
Special Accounts	2,809	1,020
Expenses not requiring appropriation in the Budget year ⁵	-	7,495
Total for Program 1.2	26,651	33,455
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	274,914	274,375
Special Accounts	2,809	1,020
Departmental expenses		
Departmental appropriation ^{1 & 2}	442,824	450,062
Expenses not requiring appropriation in the Budget year ^{3, 4 & 5}	61,840	72,164
Total expenses for Outcome 1	782,387	797,621
	2010-11	2011-12
Average Staffing Level (number) ⁶	2,134	2,134

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1 & 3)" and "Revenue from independent sources (s31)".

² These expenses include a portion of an intra-entity amount of \$71.575 million (2010-11: \$102.37million) representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

³ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, and Audit Fees.

⁴ The Department received Debt Forgiveness appropriation of \$75.0 million in *Appropriation Act (No.4) 2009-10* for Debt-to-Health Swap with Government of Indonesia. This appropriation is to be expensed over a period of 6 years in accordance with the schedule loan repayments with EFIC.

⁵ The Department will use surplus funds from previous expositions, which the Department has attributed to Exposition expenses occurring in 2011-12.

⁶ ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 and Outcome 3

Program 1.1: Foreign Affairs and Trade Operations

Program 1.1 Objective

There is no change to the objective for Program 1.1 as expressed in the *2011-12 Portfolio Budget Statements*.

Program 1.1 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item					
Export Finance and Insurance Corporation (EFIC) - National Interest Account Expenses	6,521	6,212	5,174	4,647	3,780
Hosting of the 35th Antarctic Treaty Consultative Meeting	29	1,386	-	-	-
Personal Benefits - Locally Engaged Staff pension schemes	4,275	2,020	2,033	2,100	2,137
Other Administered Items	444	1,388	491	502	511
Annual departmental expenses:					
Foreign Affairs and Trade Operations	442,824	450,062	438,178	431,223	440,860
Expenses not requiring appropriation in the Budget year:	54,449	56,069	57,065	57,909	50,362
Overseas development assistance - Debt-to-Health Swap with Government of Indonesia ¹	7,391	8,600	9,200	9,700	11,100
Total program expenses	515,933	525,737	512,141	506,081	508,750

¹ The Department was appropriated \$75 million in *Appropriation Act (No.4) 2009-10* for Debt-to-Health Swap with Government of Indonesia. This appropriation is to be expensed over a period of 6 years in accordance with the schedule loan repayments with EFIC.

Program 1.1 Deliverables

There is no change to the deliverables for Program 1.1 as expressed in the *2011-12 Portfolio Budget Statements*.

Program 1.1 Key Performance Indicators

There is no change to the key performance indicators for Program 1.1 as expressed in the *2011-12 Portfolio Budget Statements*.

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

There is no change to the objective for Program 1.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 1.2 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item					
Payments to International Organisations	239,803	238,429	236,917	239,042	241,172
Total program expenses	239,803	238,429	236,917	239,042	241,172

Program 1.2 Deliverables

There is no change to the deliverables for Program 1.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 1.2 Key Performance Indicators

There is no change to the key performance indicators for Program 1.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

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

There is no change to the objective for Program 1.3 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 1.3 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item					
Administered Grants Program	4,488	4,594	4,594	4,594	4,594
Bali Peace Park	-	450	-	-	-
Australia Network	19,354	19,896	20,414	20,924	21,447
Special Account expenses:					
<i>Expositions Special Account</i>	2,809	1,020	1,500	-	-
Expenses not requiring appropriation in the Budget year ¹	-	7,495	-	-	-
Total program expenses	26,651	33,455	26,508	25,518	26,041

¹ The Department will use surplus funds from previous expositions, which the Department has attributed to Exposition expenses occurring in 2011-12.

DFAT Additional Estimates Statements

Program 1.3 Deliverables

Program 1.3 deliverables are affected by Additional Estimates measures which provide funding for Australia's participation in the 2012 World Expo in Yeosu, Republic of Korea, and for a contribution to the Bali Peace Park Association to assist with the purchase of the Sari Club site in Bali for use as a memorial for the victims of the terrorist attacks.

Program 1.3 Key Performance Indicators

In addition to the Key Performance Indicators listed in the *2011-12 Portfolio Budget Statements*, we include the following Key Performance Indicator:

- Showcasing Australia's industries and cutting edge science and research in the marine environment, providing trade and economic opportunities and boosting Australia's tourism and education sectors through participation in the 2012 World Expo in Yeosu, Republic of Korea.

Complete details of the Department of Foreign Affairs and Trade resources and performance information can be found in the *2011-12 Portfolio Budget Statements*.

**OUTCOME 2: THE PROTECTION AND WELFARE OF AUSTRALIANS
ABROAD AND ACCESS TO SECURE INTERNATIONAL TRAVEL
DOCUMENTATION THROUGH TIMELY AND RESPONSIVE TRAVEL ADVICE
AND CONSULAR AND PASSPORT SERVICES IN AUSTRALIA AND
OVERSEAS**

Outcome 2 Strategy

There is no change to the Department's Outcome Strategy as expressed in the 2011-12 *Portfolio Budget Statements*.

Table 2.1.2 Budgeted Expenses and Resources for Outcome 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas.	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 2.1: Consular Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	42	200
Traveller's Emergency Loans ¹	48	-
Departmental expenses		
Departmental appropriation ^{2 & 5}	63,351	70,454
Expenses not requiring appropriation in the Budget year ³	8,030	4,852
Total for Program 2.1	71,470	75,506
Program 2.2: Passport Services		
Administered expenses		
Special appropriations	754	860
Departmental expenses		
Departmental appropriation ²	155,155	188,270
Expenses not requiring appropriation in the Budget year ³	19,666	12,541
Total for Program 2.2	175,576	201,671
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	42	200
Traveller's Emergency Loans ¹	48	-
Special appropriations	754	860
Departmental expenses		
Departmental appropriation ^{2 & 5}	218,506	258,724
Expenses not requiring appropriation in the Budget year ³	27,696	17,393
Total expenses for Outcome 2	247,046	277,177
	2010-11	2011-12
Average Staffing Level (number)⁴	1,059	1,071

¹ Travellers Emergency Loans Issued are initially recorded as receivables to the Commonwealth. Program expenses relate to non-cash expenses resulting from write down and impairment of assets (i.e. impairment of Travellers' Emergency Loans Receivable).

² Departmental Appropriation is "Ordinary annual services (Appropriation Bill No. 1 & 3)".

³ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense and Audit Fees.

⁴ ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2.

⁵ These expenses include a portion of an intra-entity amount of \$71.575 million (2010-11: \$102.37million) representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

Program 2.1: Consular Services*Program 2.1 Objective*

There is no change to the objective for Program 2.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 2.1 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item					
Consular Emergency Services	42	200	200	200	200
Travellers' Emergency Loans ¹	48	-	-	-	-
Annual departmental expenses:					
Foreign Affairs and Trade Operations	63,351	70,454	67,110	67,348	68,496
Expenses not requiring appropriation in the Budget year	8,030	4,852	4,882	4,836	8,344
Total program expenses	71,470	75,506	72,192	72,384	77,040

¹ Travellers Emergency Loans Issued are initially recorded as receivables to the Commonwealth. Program expenses relate to non-cash expenses resulting from write down and impairment of assets (i.e. impairment of Travellers' Emergency Loans Receivable).

Program 2.1 Deliverables

There is no change to the deliverables for Program 2.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 2.1 Key Performance Indicators

There is no change to the key performance indicators for Program 2.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 2.2: Passport Services*Program 2.2 Objective*

There is no change to the objective for Program 2.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

DFAT Additional Estimates Statements

Program 2.2 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Special appropriations:					
<i>Passport Refunds</i>	754	860	860	860	860
Annual departmental expenses:					
Foreign Affairs and Trade Operations	155,155	188,270	195,291	195,305	190,872
Expenses not requiring appropriation in the Budget year	19,666	12,541	12,698	19,157	29,542
Total program expenses	175,576	201,671	208,849	215,322	221,274

Program 2.2 Deliverables

There is no change to the deliverables for Program 2.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 2.2 Key Performance Indicators

There is no change to the key performance indicators for Program 2.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

**OUTCOME 3: A SECURE AUSTRALIAN GOVERNMENT PRESENCE
OVERSEAS THROUGH THE PROVISION OF SECURITY SERVICES AND
INFORMATION AND COMMUNICATIONS TECHNOLOGY INFRASTRUCTURE,
AND THE MANAGEMENT OF THE COMMONWEALTH'S OVERSEAS OWNED
ESTATE**

Outcome 3 Strategy

There is no change to the Department's Outcome Strategy as expressed in the *2011-12 Portfolio Budget Statements*.

Table 2.1.3 Budgeted Expenses and Resources for Outcome 3

	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate		
Program 3.1: Other (Departmental)		
Departmental expenses		
Departmental appropriation ^{1 & 4}	151,442	171,918
Expenses not requiring appropriation in the Budget year ²	12,135	15,235
Total for Program 3.1	163,576	187,153
Program 3.2: Overseas Property		
Departmental expenses		
Special Accounts	88,749	72,121
Total for Program 3.2	88,749	72,121
Outcome 3 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	151,442	171,918
Special Accounts	88,749	72,121
Expenses not requiring appropriation in the Budget year ²	12,135	15,235
Total expenses for Outcome 3	252,325	259,274
Average Staffing Level (number)³	662	670

¹ Departmental Appropriation is "Ordinary annual services (Appropriation Bill No. 1 & 3)".

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense and Audit Fees.

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

⁴ These expenses include a portion of an intra-entity amount of \$71.575 million (2010-11: \$102.37million) representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

Program 3.1: Foreign Affairs and Trade Operations*Program 3.1 Objective*

There is no change to the objective for Program 3.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 3.1 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual departmental expenses:					
Foreign Affairs and Trade Operations	151,442	171,918	118,952	119,514	121,771
Expenses not requiring appropriation in the Budget year	12,135	15,235	14,380	12,992	14,834
Total program expenses	163,576	187,153	133,332	132,506	136,605

Program 3.1 Deliverables

There is no change to the deliverables for Program 3.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 3.1 Key Performance Indicators

There is no change to the key performance indicators for Program 3.1 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 3.2: Overseas Property*Program 3.2 Objective*

There is no change to the objective for Program 3.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 3.2 Expenses

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Special Account Expenses:					
Overseas Property Special Account - Finance Determination 2002-01 (D)	88,749	72,121	72,367	72,961	75,160
Total program expenses	88,749	72,121	72,367	72,961	75,160

Program 3.2 Deliverables

There is no change to the deliverables for Program 1.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Program 3.2 Key Performance Indicators

There is no change to the key performance indicators for Program 1.2 as expressed in the 2011-12 *Portfolio Budget Statements*.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by DFAT. The corresponding table in the *2011-12 Portfolio Budget Statements* is Table 3.1.2.

Table 3.1.1: Estimates of special account flows

		Opening balance 2011-12 2010-11	Receipts 2011-12 2010-11	Payments 2011-12 2010-11	Adjustments 2011-12 2010-11	Closing balance 2011-12 2010-11
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Administered Payments and Receipts for Other Entities Special Account - FMA Act 1997 s20 (A)	1	5,000	200,000	(200,000)	-	5,000
		5,000	189,112	(189,112)	-	5,000
Consular Services Special Account - FMA Act 1997 s20 (A)	2	44	100	(100)	-	44
		51	81	(88)	-	44
Expositions Special Accounts - FMA Act 1997 s20 (A)	1	7,391	1,124	(8,515)	-	-
		5,752	12,874	(11,235)	-	7,391
Services for Other Entities and Trust Moneys - Foreign Affairs and Trade Special Account (A)	1	3,070	2,000	(4,000)	-	1,070
		2,108	2,439	(1,477)	-	3,070
Overseas Property Special Account - DFAT - s20 FMA Act Det 2002/01 (D)	3	393,273	115,911	(204,832)	-	304,352
		297,628	185,201	(89,556)	-	393,273
Total Special Accounts 2011-12 Budget estimate		408,778	319,135	(417,447)	-	310,466
<i>Total Special Accounts 2010-11 actual</i>		310,539	389,707	(291,468)	-	408,778

(A) = Administered

(D) = Departmental

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Budgeted Departmental Income Statement

The department will receive additional departmental appropriation of \$18.4 million in 2011-12. Of this \$18.4 million, \$15.1 million relates to an adjustment to passport funding due to a higher than expected number of passports issued in 2010-11. The remaining amount is attributable to supplementation of Ho Chi Minh City Chancery rent as part of its relocation and adjustments for foreign exchange and domestic and overseas inflation.

The Income Statement shows a budgeted deficit in 2011-12 of \$46.9 million, due to removal of funding for depreciation and amortisation under the Net Cash funding arrangements. Adjusting for the non-appropriated expenses, the operating result is a surplus of \$62.0 million in 2011-12, all of which relates to the Overseas Property Special Account (OPSA). However, after adjusting for \$22.4 million in self-funded depreciation expense relating to the Overseas Property Office, the surplus is \$39.6 million. Surpluses are necessary in the OPSA to fund capital investment projects.

Budgeted Departmental Balance Sheet

For 2011-12, the department's non-financial asset position is budgeted to be \$2,261.5 million at year-end. The major asset component is \$1,811.6 million for Land and Buildings which includes \$1,664.6 million managed in the Overseas Property Special Account.

Schedule of budgeted income and expenses administered on behalf of government

Administered revenues have been budgeted at \$419.2 million in 2011-12. Total revenue is estimated to decrease by \$6.7 million since the *2011-12 Portfolio Budget Statements*. This is a result of an expected reduction in passport income, partially offset by an expected increase in other sources of income.

Total expenses administered on behalf of government are budgeted at \$291.6 million in 2011-12. Total estimated expenses have increased by \$17.3 million since the *2011-12 Portfolio Budget Statement*. This is a result of new measures (Yeosu and Bali Peace Park) and 'Other' expenses including increased payments to EFIC.

Schedule of budgeted assets and liabilities administered on behalf of government

This statement has been revised since the publication of the *2011-12 Portfolio Budget Statements* to reflect the final actual closing balances in 2010-11, including fair value adjustments required under the Australian Accounting Standards.

Schedule of budgeted administered cash flows

Administered cash received generally moves in line with the administered revenue, and is returned to the Consolidated Revenue Fund. Total cash received is in line with the expectations published in the *2011-12 Portfolio Budget Statements*.

3.2.2 Budgeted financial statements

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	411,693	413,974	378,891	409,555	391,624
Supplier expenses	457,158	440,797	418,576	391,754	416,548
Grants	14,742	900	900	900	900
Depreciation and amortisation	92,993	108,880	110,197	117,668	126,082
Finance costs	883	300	300	300	300
Write-down and impairment of assets	16,925	-	-	-	-
Net Foreign Exchange Losses	1,292	-	-	-	-
Losses from asset sales	-	239	193	-	-
Other	112	3,329	1,857	-	-
Total expenses	995,798	968,419	910,914	920,177	935,454
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	73,342	48,280	50,614	52,875	52,982
Operating Lease Rental Revenue	64,710	40,020	41,364	38,977	39,331
Other	9,687	1,780	2,033	2,144	3,078
Total own-source revenue	147,739	90,080	94,011	93,996	95,391
Gains					
Sale of assets	1,874	-	-	-	-
Other	450	392	392	400	400
Total gains	2,324	392	392	400	400
Total own-source income	150,063	90,472	94,403	94,396	95,791
Net cost of (contribution by) services	845,735	877,947	816,511	825,781	839,663
Revenue from Government	875,646	831,051	768,917	760,515	768,995
Surplus (Deficit)	29,911	(46,896)	(47,594)	(65,266)	(70,668)
Surplus (Deficit) attributable to the Australian Government	29,911	(46,896)	(47,594)	(65,266)	(70,668)
Note: Reconciliation of comprehensive income attributable to DFAT					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	29,911	(46,896)	(47,594)	(65,266)	(70,668)
plus non-appropriated expenses depreciation and amortisation expenses	92,993	108,880	110,197	117,668	126,082
Total Comprehensive Income (loss) Attributable to the agency	122,904	61,984	62,603	52,402	55,414

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	58,160	65,562	67,172	68,782	68,782
Trade and other receivables	880,783	725,961	636,211	467,375	389,688
Total financial assets	938,943	791,523	703,383	536,157	458,470
Non-financial assets					
Land and buildings	1,687,971	1,811,600	1,871,836	1,952,711	2,034,629
Property, plant and equipment	126,763	224,109	268,923	282,217	276,897
Intangibles	20,286	24,836	19,110	11,694	8,151
Inventories	40,238	40,238	40,238	40,238	40,238
Other	120,901	160,688	263,295	411,771	464,397
Total non-financial assets	1,996,159	2,261,471	2,463,402	2,698,631	2,824,312
Total assets	2,935,102	3,052,994	3,166,785	3,234,788	3,282,782
LIABILITIES					
Payables					
Suppliers	80,184	80,184	80,184	80,184	80,184
Other	25,689	22,989	22,989	22,989	22,989
Total payables	105,873	103,173	103,173	103,173	103,173
Provisions					
Employee provisions	132,260	132,260	132,260	132,260	132,260
Other	23,841	23,841	23,841	23,841	23,841
Total provisions	156,101	156,101	156,101	156,101	156,101
Total liabilities	261,974	259,274	259,274	259,274	259,274
Net assets	2,673,128	2,793,720	2,907,511	2,975,514	3,023,508
EQUITY					
Parent entity interest					
Contributed equity	1,699,239	1,844,690	1,957,702	2,101,070	2,197,541
Reserves	327,341	363,195	411,644	401,545	423,736
Retained surplus	646,548	585,835	538,165	472,899	402,231
Total parent entity interest	2,673,128	2,793,720	2,907,511	2,975,514	3,023,508
Total Equity	2,673,128	2,793,720	2,907,511	2,975,514	3,023,508

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	646,548	327,341	-	1,699,239	2,673,128
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	646,548	327,341	-	1,699,239	2,673,128
Comprehensive income					
Other comprehensive income	-	35,854	-	-	35,854
Surplus (deficit) for the period	(46,896)	-	-	-	(46,896)
Total comprehensive income	(46,896)	35,854	-	-	(11,042)
Transactions with owners					
<i>Distributions to owners</i>					
Returns on capital:					
Cash transfers to the OPA	(13,817)	-	-	-	(13,817)
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	72,005	72,005
Departmental Capital Budget (DCBs)	-	-	-	73,446	73,446
Sub-total transactions with owners	(13,817)	-	-	145,451	131,634
Estimated closing balance as at 30 June 2012	585,835	363,195	-	1,844,690	2,793,720

Prepared on Australian Accounting Standards basis

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	125,284	88,300	91,978	91,852	92,313
Appropriations	839,935	909,733	795,150	784,348	797,802
Net GST received	31,375	19,363	19,363	-	-
Other	51	1,780	2,033	2,144	3,078
Total cash received	996,645	1,019,176	908,524	878,344	893,193
Cash used					
Employees	405,267	413,269	377,431	408,097	390,130
Suppliers	470,964	448,558	425,826	399,090	424,056
Grants	-	900	900	900	900
Borrowing costs	-	300	300	300	300
Net GST paid	29,573	19,363	19,363	-	-
Other	14,853	13,225	2,045	-	-
Total cash used	920,657	895,615	825,865	808,387	815,386
Net cash from (used by) operating activities	75,988	123,561	82,659	69,957	77,807
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	14,586	4,172	81	-	-
Total cash received	14,586	4,172	81	-	-
Cash used					
Purchase of property, plant and equipment	112,518	230,098	127,879	198,110	166,236
Other	-	114,020	135,881	164,886	63,336
Total cash used	112,518	344,118	263,760	362,996	229,572
Net cash from (used by) investing activities	(97,932)	(339,946)	(263,679)	(362,996)	(229,572)

Table continued on following page.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	147,071	145,451	113,012	143,368	96,471
Other	(89,284)	94,501	69,695	151,281	55,294
Total cash received	57,787	239,952	182,707	294,649	151,765
Cash used					
Other	24,806	3,921	76	-	-
Total cash used	24,806	3,921	76	-	-
Net cash from (used by) financing activities	32,981	236,031	182,631	294,649	151,765
Net increase (decrease) in cash held	11,037	19,646	1,611	1,610	-
Cash and cash equivalents at the beginning of the reporting period	48,555	58,160	92,949	79,417	81,027
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	(1,432)	-	-	-	-
Cash and cash equivalents at the end of the reporting period	58,160	77,806	79,417	81,027	81,027

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Capital Budget Statement — Departmental

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	57,681	73,446	63,441	94,950	68,345
Equity injections - Bill 2	72,686	72,005	49,571	48,418	28,126
Total capital appropriations	130,367	145,451	113,012	143,368	96,471
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	128,824	145,451	113,012	143,368	96,471
Other Items	1,543	-	-	-	-
Total Items	130,367	145,451	113,012	143,368	96,471
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	93,802	106,177	64,788	64,363	50,519
Funded by capital appropriation - DCB ¹	57,681	83,381	63,441	94,950	68,345
Funded internally from departmental resources ²	97,761	108,655	32,924	55,207	58,082
TOTAL	249,244	298,213	161,153	214,520	176,946
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	249,244	298,213	161,153	214,520	176,946
Total cash used to acquire assets	249,244	298,213	161,153	214,520	176,946

¹ Includes purchases from current and previous years' Departmental Capital Budgets.

² Includes the following sources of funding:

- annual and prior year appropriations
- donations and contributions
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Table 3.2.6: Statement of Asset Movements (2011-12)

	Land	Buildings	Other property, plant and equipment	Intangibles	Other ¹	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2011						
Gross book value	867,127	916,669	182,318	55,231	3,627	2,024,972
Accumulated depreciation/amortisation and impairment	-	(95,825)	(55,555)	(35,705)	(2,867)	(189,952)
Opening net book balance	867,127	820,844	126,763	19,526	760	1,835,020
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase or internally developed	79,447	61,268	145,142	12,356	-	298,213
Total additions	79,447	61,268	145,142	12,356	-	298,213
Other movements						
Revaluations	30,864	(16,855)	-	-	-	14,009
Disposals for cash consideration	(1,950)	(1,462)	-	-	(760)	(4,172)
Other movements	-	1,338	489	2,671	-	-
As at 30 June 2012						
Gross book value	975,488	960,958	327,949	70,258	2,867	2,337,520
Accumulated depreciation/amortisation and impairment	-	(124,846)	(103,840)	(45,422)	(2,867)	(276,975)
Closing net book balance	975,488	836,112	224,109	24,836	-	2,060,545

¹ Other consists only of assets held for sale.

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Non-taxation revenue					
Sale of goods and rendering of services	348,603	377,490	410,988	441,128	472,089
Interest	5,251	4,713	3,964	3,130	2,155
Dividends	28,708	15,097	8,250	11,650	13,400
Other	29,373	21,883	22,533	23,503	25,563
Total non-taxation revenue	411,935	419,183	445,735	479,411	513,207
Total revenues administered on behalf of Government	411,935	419,183	445,735	479,411	513,207
Gains					
Sale of assets					
Foreign exchange	9,081	-	-	-	-
Total gains administered on behalf of Government	9,081	-	-	-	-
Total income administered on behalf of Government	421,016	419,183	445,735	479,411	513,207
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	5,213	2,875	2,263	2,100	2,137
Supplier expenses	21,929	30,281	23,035	22,286	22,818
Grants	244,075	243,673	241,711	243,836	245,966
Finance costs	4,954	4,307	3,174	2,547	1,780
Write-down and impairment of assets	48	-	-	-	-
Other	9,739	10,505	11,200	11,800	13,100
Total expenses administered on behalf of Government	285,958	291,641	281,383	282,569	285,801

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	2,528	3,005	3,005	3,005	3,005
Receivables	2,566	3,116	3,666	4,216	4,766
Investments accounted for using the equity method	408,082	408,082	408,082	408,082	408,082
Total financial assets	413,176	414,203	414,753	415,303	415,853
Non-financial assets					
Prepayments	1,613	1,613	1,613	1,613	1,613
Total non-financial assets	1,613	1,613	1,613	1,613	1,613
Assets held for sale					
Total assets administered on behalf of Government	414,789	415,816	416,366	416,916	417,466
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	332	332	332	332	332
Other Payables	31,905	22,886	16,406	10,317	6,509
Total payables	32,237	23,218	16,738	10,649	6,841
Provisions					
Other	32,742	32,742	32,742	32,742	32,742
Total provisions	32,742	32,742	32,742	32,742	32,742
Total liabilities administered on behalf of Government	64,979	55,960	49,480	43,391	39,583

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	350,163	377,490	410,974	441,114	472,089
Interest	99	94	94	94	94
Dividends	28,708	15,097	8,250	11,650	13,400
Net GST received	3,740	2,847	2,217	2,093	2,145
Other	11,148	18,024	21,474	21,644	24,709
Total cash received	393,858	413,552	443,009	476,595	512,437
Cash used					
Grant payments	248,959	244,223	242,261	244,386	246,516
Employees	936	855	230	-	-
Personal benefits	2,386	2,020	2,033	2,100	2,137
Suppliers	31,057	33,128	25,252	24,379	24,963
Borrowing costs	5,167	4,454	3,614	2,791	1,861
Other	9,907	10,505	11,300	11,900	13,100
Total cash used	298,412	295,185	284,690	285,556	288,577
Net cash from (used by) operating activities	95,446	118,367	158,319	191,039	223,860
Net increase (decrease) in cash held					
Cash and cash equivalents at beginning of reporting period	6,376	2,528	3,005	3,005	3,005
Cash from Official Public Account for: - Appropriations	289,735	292,042	282,121	283,204	284,926
	296,111	294,570	285,126	286,209	287,931
Cash to Official Public Account for: - Other	389,029	409,932	440,440	474,243	508,786
	389,029	409,932	440,440	474,243	508,786
Cash and cash equivalents at end of reporting period	2,528	3,005	3,005	3,005	3,005

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

Departmental Financial Statements and Schedule of Administered Activity

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

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

Appropriations in the accrual budgeting framework

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

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

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

Administered investments in controlled entities

The department has one administered investment in the Export Finance and Insurance Corporation with an estimated asset value of \$408.1 million as at 30 June 2011.

Asset Valuation

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

AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

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AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AUSAID)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

An outline of AusAID's strategic direction can be found in the 2011-12 Portfolio Budget Statements. Since the release of the 2011-12 Portfolio Budget Statements, the Government has released a new aid policy statement *"An Effective Aid Program for Australia – Making a real difference – Delivering real results"* on 6 July 2011. AusAID's role and outcomes remain unchanged as a result of Additional Estimates.

Through the 2011-12 Additional Estimates, AusAID will receive an additional \$53.0 million in 2011-12 to enable the Australian Government to implement the measures detailed in Table 1.2.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for AusAID at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2011-12 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

Table 1.1: AusAID resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimate as at Budget ⁺	Proposed Additional ⁼ Estimate	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	-	-	-	52,214
Departmental appropriation ³	278,075	400	278,475	-
s31 Relevant agency receipts ⁴	231	-	231	61
Total	278,306	400	278,706	52,275
Administered expenses				
Outcome1 ⁵	3,765,581	52,594	3,818,175	902,358
Outcome2 ⁵	-	-	-	130
Total	3,765,581	52,594	3,818,175	902,488
Total ordinary annual services	A 4,043,887	52,994	4,096,881	954,763
Other services⁶				
Administered revenue				
Outcome 1	4,538	-	4,538	-
Total	4,538	-	4,538	-
Departmental non-operating				
Equity injections	15,780	-	15,780	9,887
Total	15,780	-	15,780	9,887
Administered non-operating				
Administered assets and liabilities	47,903	-	47,903	992,819
Total	47,903	-	47,903	992,819
Total other services	B 68,221	-	68,221	1,002,706
Total available annual appropriations	4,112,108	52,994	4,165,102	1,957,469
Total special appropriations	C -	-	-	-
Total appropriations excluding Special Accounts	4,112,108	52,994	4,165,102	1,957,469

Table continued on following page.

Table 1.1: AusAID resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

	Estimate as at Budget +	Proposed Additional = Estimate	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
Special Accounts				
Opening balance ⁷	172,837	-	-	172,837
Non-appropriation receipts to Special Accounts	5,000	-	-	-
Total Special Account D	177,837	-	-	172,837
Total resourcing				
Total net resourcing for AusAID	4,289,945	52,994	4,165,102	2,130,306

1. Appropriation Bill (No.1 & 3) 2011-12
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Includes an amount of \$3.748m in 2011-12 for the Departmental Capital Budget (refer to table 3.2.5 for further details)
4. Section 31 Relevant Agency receipts — estimate
5. Includes an amount of \$2.209m in 2011-12 for the Administered Capital Budget (refer to table 3.2.11 for further detail). For accounting purposes this amount has been designated as 'contributions by owners'
6. The majority of this funding relates to unused funds returned from contractors and non-government organisations and taxation paid to partner governments and returned to AusAID, which were appropriated in former years and will be returned to the Official Public Account (OPA)
7. 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.

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

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

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Agency 2011-12 Measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Official Development Assistance - Australian Civillian Corps - deployments to Afghanistan	1.3				
Administered expenses		3,594	3,842	3,567	-
Total		3,594	3,842	3,567	-
Official Development Assistance - Australia's Contribution to the Global Partnership for Education ¹	1.6				
Administered expenses		5,000	10,000	60,000	95,000
Total		5,000	10,000	60,000	95,000
Official Development Assistance - Australia's Contribution to the Horn of Africa Drought and Famine	1.3				
Administered		30,000	-	-	-
Total		30,000	-	-	-
Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Africa Food Security Initiative ²	1.3				
Administered		-	2,000	3,000	4,000
Total		-	2,000	3,000	4,000
Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Mining for Development ³	1.3				
Administered		10,000	16,000	29,000	32,000
Departmental		400	1,272	1,280	1,292
Total		10,400	17,272	30,280	33,292
Official Development Assistance - Commonwealth Heads of Government Meeting - Global Polio Eradication Initiative ⁴	1.6				
Administered		4,000	10,000	15,000	20,000
Total		4,000	10,000	15,000	20,000

Table continued on following page.

Table 1.2: Agency 2011-12 Measures since Budget (continued)

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Official Development Assistance - Commonwealth Heads of Government Meeting - Support of Commonwealth Democracy and Development ⁵	1.3	-	-	-	-
Administered		-	-	-	-
Total		-	-	-	-
Seasonal Labour Mobility Program with Pacific Island Countries and East Timor for Development Purposes ⁶	1.1	-	-	-	-
Administered		-	-	-	-
Departmental	DS	-	-	-	-
Total		-	-	-	-
Reducing the cost of Government administration - one off efficiency dividend					
Departmental	DS	-	(6,791)	(6,680)	(6,830)
Total		-	(6,791)	(6,680)	(6,830)
Total expense measures					
Administered		52,594	41,842	110,567	151,000
Departmental		400	(5,519)	(5,400)	(5,538)
Capital measures					
Reducing the cost of Government administration - 20 per cent reduction in DCB					
Departmental	DS	-	(1,851)	(3,066)	(2,436)
Total		-	(1,851)	(3,066)	(2,436)
Total measures					
Administered		52,594	41,842	110,567	151,000
Departmental		400	(7,370)	(8,466)	(7,974)
Total		52,994	34,472	102,101	143,026

Prepared on a Government Financial Statistics (fiscal) basis

1. This measure includes a further \$100.0 million absorbed from within existing AusAID resources (refer to MYEFO 2011-12 for detail).
1. This measure includes a further \$1.0 million absorbed from within existing AusAID resources (refer to MYEFO 2011-12 for detail).
2. This measure includes a further \$36.0 million absorbed from within existing AusAID resources (refer to MYEFO 2011-12 for detail).
3. This measure includes a further \$1.0million absorbed from within existing AusAID resources (refer to MYEFO 2011-12 for detail).
4. This measure includes \$16.4 million absorbed from within existing AusAID (refer to MYEFO 2011-12 for detail).
5. The lead agency for the *Seasonal Labour Mobility Program with Pacific Island Countries and East Timor for Development Purposes* measure is the Department of Education, Employment and Workplace Relations. This measure includes \$0.3 million absorbed from within existing AusAID resources (Further detail of this measure will be available in the 2012-13 Budget Paper 2).

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for AusAID at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Official Development Assistance - Australian Civilian Corps - deployments to Afghanistan	1.3	3,594	3,842	3,567	-
Official Development Assistance - Australia's Contribution to the Global Partnership for Education	1.6	5,000	10,000	60,000	95,000
Official Development Assistance - Australia's Contribution to the Horn of Africa Drought and Famine	1.3	30,000	-	-	-
Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Africa Food Security Initiative	1.3	-	2,000	3,000	4,000
Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Mining for Development	1.3	10,000	16,000	29,000	32,000
Official Development Assistance - Commonwealth Heads of Government Meeting - Global Polio Eradication Initiative	1.6	4,000	10,000	15,000	20,000
Net impact on estimates for Outcome 1 (administered)		52,594	41,842	110,567	151,000
Increase in estimates (departmental)					
Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Mining for Development	DS	400	1,272	1,280	1,292
Decrease in estimates (departmental)					
Reducing the cost of Government administration - one off efficiency dividend	DS	-	(6,791)	(6,680)	(6,830)
Reducing the cost of Government administration - 20 per cent reduction in DCB	DS	-	(1,851)	(3,066)	(2,436)
Net impact on estimates for Outcome 1 (departmental)		400	(7,370)	(8,466)	(7,974)

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Application of parameters	all	-	12,482	9,026	4,483
Net impact on estimates for Outcome 1 (administered)		-	12,482	9,026	4,483
Increase in estimates (departmental)					
Application of parameters	DS	-	179	391	139
Net impact on estimates for Outcome 1 (departmental)		-	179	391	139

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for AusAID through Appropriation Bill No. 3.

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
ADMINISTERED ITEMS					
Outcome 1					
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	3,663,616	3,765,581	52,594	3,818,175	-
Total	3,663,616	3,765,581	52,594	3,818,175	-
DEPARTMENTAL PROGRAMS					
Outcome 1					
To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	253,722	278,075	400	278,475	-
Total	253,722	278,075	400	278,475	-
Total administered and departmental	3,917,338	4,043,656	52,994	4,096,650	-

Table 1.6: Appropriation Bill (No. 4) 2011-12

AusAID is not receiving additional funding through Appropriation Bill 4 in 2011-12.

Section 2: Revisions to agency resources and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

OUTCOME 1

Outcome 1 strategy

AusAID's Outcome 1 strategy, key performance indicators and targets as reported in the 2011-12 *Portfolio Budget Statements* remain unchanged as a result of Additional Estimates.

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	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 1.1: Official Development Assistance - PNG & Pacific		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	903,399	935,737
Other services (Appropriation Bill No. 2)	3,813	3,893
Total for Program 1.1	907,212	939,630
Program 1.2: Official Development Assistance - East Asia		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	803,400	943,962
Total for Program 1.2	803,400	943,962
Program 1.3: Official Development Assistance - Africa, South and Central Asia, Middle East and Other		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	878,974	1,128,400
Special Accounts	6,178	5,000
Total for Program 1.3	885,152	1,133,400
Program 1.4: Official Development Assistance - Emergency, Humanitarian and Refugee Program		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	299,745	324,494
Total for Program 1.4	299,745	324,494

Table continued on following page.

Table 2.1 Budgeted Expenses and Resources for Outcome 1 (continued)

Outcome 1: To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 1.5: Official Development Assistance - Multilateral Replenishments		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	493,568	14,000
Other services (Appropriation Bill No. 2)	549,817	44,010
Expenses not requiring appropriation in the Budget year	-	-
Total for Program 1.5	1,043,385	58,010
Program 1.6: Official Development Assistance - UN Commonwealth and Other International Organisations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	250,310	296,852
Total for Program 1.6	250,310	296,852
Program 1.7: Official Development Assistance - NGO, Volunteer and Community Programs		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	135,113	171,033
Total for Program 1.7	135,113	171,033
Departmental Support		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	246,912	284,175
Revenues from independent sources (s31)	61	231
Expenses not requiring appropriation in the Budget year	10,360	10,681
Total for Departmental Support	257,333	295,087
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,971,148	3,814,478
Other services (Appropriation Bill No. 2)	553,630	47,903
Expenses not requiring appropriation in the Budget year	-	-
Special Accounts	6,000	5,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	246,912	284,175
Revenues from independent sources (s31)	61	231
Expenses not requiring appropriation in the Budget year	10,360	10,681
Total expenses for Outcome 1	3,228,481	4,109,565
	2010-11	2011-12
Average Staffing Level (number)	1,775	1,817

OUTCOME 2

Outcome 2 strategy

AusAID's Outcome 2 strategy, key performance indicators and targets as reported in the 2011-12 *Portfolio Budget Statements* remain unchanged as a result of Additional Estimates.

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	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
Program 2.1: East Asia		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,281	-
AIPRD grant special account ¹	49,457	4,141
AIPRD loans special account ¹	69,613	40,000
Total for Program 2.1	124,351	44,141
Departmental Support		
Departmental expenses		
Departmental item (Bill 1)	3,649	-
Total for Departmental Support	3,649	-
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,649	-
AIPRD grant special account ¹	49,457	4,141
AIPRD loans special account ¹	69,613	40,000
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,281	-
Total expenses for Outcome 2	128,000	44,141
	2010-11	2011-12
Average Staffing Level (number)	18	-

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

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

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by AusAID. The corresponding table in the 2011-12 Portfolio Budget Statements is Table 3.1.2.

Table 3.1.1: Estimates of special account flows

		Opening balance 2011-12 2010-11	Receipts 2011-12 2010-11	Payments 2011-12 2010-11	Adjustments 2011-12 2010-11	Closing balance 2011-12 2010-11
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Services for Other Governments and Non-Agency Bodies (A)	1	-	-	-	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		6,002	11,014	14,882	2,134	-
Services for Other entities and Trust Moneys	1	2,134	5,000	5,000	-	2,134
<i>Financial Management and Accountability Act 1997 s.20</i>		-	-	-	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account (A)	2	4,141	-	4,141	-	-
<i>Financial Management and Accountability Act 1997 s.20</i>		7,637	6,178	9,674	-	4,141
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account (A)	2	168,696	-	40,000	-	128,696
<i>Financial Management and Accountability Act 1997 s.20</i>		208,732	-	40,036	-	168,696
Total Special Accounts						
2011-12 Budget estimate		174,971	5,000	49,141	-	130,830
<i>Total Special Accounts</i>						
<i>2010-11 Actual</i>		222,371	17,192	64,592	2,134	172,837

(A) = Administered
(D) = Departmental

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

3.2.1 Differences in agency resourcing and financial statements

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

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

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

3.2.2 Analysis of budgeted financial statements

Analysis of budgeted financial statements

These statements provide actual results for 2010-11 and the revised Budget for 2011-12 and forward years.

Budgeted departmental income statement

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

Total income in 2011-12 is estimated to be \$274.7 million, an increase of \$0.4 million from the 2011-12 Budget estimate.

Total expenses in 2011-12 are estimated to be \$285.8 million.

Budgeted departmental balance sheet

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

AusAID's most significant liability continues to be accrued employee provisions, as a result of accruing leave entitlements. In 2011-12 this is estimated at \$34.4 million.

Budgeted departmental statement of cash flows

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

Budgeted statement of changes in equity – summary of movement

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

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.

Through the 2011-12 Additional Estimates, AusAID will receive additional administered appropriation of \$52.5 million for programs administered on behalf of the Government.

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

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

Schedule of budgeted assets and liabilities administered on behalf of Government

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

3.2.2 Budgeted financial statements

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
EXPENSES					
Employee benefits	133,641	166,551	165,545	164,019	168,334
Supplier expenses	106,138	108,399	99,527	96,721	98,276
Depreciation and amortisation	9,604	10,681	13,404	14,520	10,520
Finance costs	557	-	-	-	-
Write-down and impairment of assets	152	133	136	138	140
Losses from asset sales	95	-	-	-	-
Foreign exchange losses	73	-	-	-	-
Total expenses	250,260	285,764	278,612	275,398	277,270
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	61	231	231	231	231
Total own-source revenue	61	231	231	231	231
Gains					
Foreign exchange gains	37	-	-	-	-
Other	898	125	129	133	139
Total gains	935	125	129	133	139
Total own-source income	996	356	360	364	370
Net cost of services					
Revenue from Government	251,207	274,727	264,848	260,514	266,380
Surplus (Deficit)	1,943	(10,681)	(13,404)	(14,520)	(10,520)
Surplus (Deficit) attributable to the Australian Government	1,943	(10,681)	(13,404)	(14,520)	(10,520)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	1,943	(10,681)	(13,404)	(14,520)	(10,520)
Note: Reconciliation of comprehensive income attributable to the agency					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	1,943	(10,681)	(13,404)	(14,520)	(10,520)
plus non-appropriated expenses depreciation and amortisation expenses	9,604	10,681	13,404	14,520	10,520
Total Comprehensive Income (loss) Attributable to the agency	11,547	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	583	583	583	583	583
Trade and other receivables	63,179	62,922	63,717	64,529	65,361
Total financial assets	63,762	63,505	64,300	65,112	65,944
Non-financial assets					
Leasehold improvements	21,843	20,432	20,294	24,802	27,799
Infrastructure, plant and equipment	17,896	29,156	24,300	16,320	11,365
Intangibles	3,736	3,623	4,623	5,743	6,823
Other	7,645	7,645	7,645	7,645	7,645
Total non-financial assets	51,120	60,856	56,862	54,510	53,632
Total assets	114,882	124,361	121,162	119,622	119,576
LIABILITIES					
Payables					
Suppliers	17,554	17,552	17,554	17,554	17,554
Other	3,089	3,089	3,089	3,089	3,089
Total payables	20,643	20,641	20,643	20,643	20,643
Provisions					
Employee provisions	33,787	34,421	35,088	35,762	36,454
Other	5,023	5,023	5,023	5,023	5,023
Total provisions	38,810	39,444	40,111	40,785	41,477
Total liabilities	59,453	60,085	60,754	61,428	62,120
Net assets	55,429	64,276	60,408	58,194	57,456
EQUITY					
Parent entity interest					
Contributed equity	45,179	64,707	74,243	86,549	96,331
Reserves	626	626	626	626	626
Retained surplus (accumulated deficit)	9,624	(1,057)	(14,461)	(28,981)	(39,501)
Total parent entity interest	55,429	64,276	60,408	58,194	57,456
Total Equity	55,429	64,276	60,408	58,194	57,456

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	9,624	626	-	45,179	55,429
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	9,624	626	-	45,179	55,429
Comprehensive income					
Other comprehensive income	(10,681)	-	-	-	(10,681)
Surplus (deficit) for the period					
Total comprehensive income	(1,057)	626	-	45,179	44,748
Transactions with owners					
<i>Contributions by owners</i>					
Contribution/(Distribution) of Equity	-	-	-	-	-
Appropriation (equity injection)				15,780	15,780
Departmental Capital Budget (DCBs)	-	-	-	3,748	3,748
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	19,528	19,528
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2012					
Closing balance attributable to the Australian Government	(1,057)	626	-	64,707	64,276

Prepared on Australian Accounting Standards basis

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	61	231	231	300	300
Appropriations	233,592	273,387	263,284	259,754	265,688
Net GST received	3,514	-	-	-	-
Total cash received	237,167	273,618	263,515	260,054	265,988
Cash used					
Employees	125,701	166,460	164,886	163,345	167,642
Suppliers	106,771	107,158	98,629	96,709	98,346
Total cash used	232,472	273,618	263,515	260,054	265,988
Net cash from (used by) operating activities	4,695	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of infrastructure, plant and equipment	255	-	-	-	-
Proceeds from sales of leasehold improvements	4	-	-	-	-
Total cash received	259	-	-	-	-
Cash used					
Purchase of infrastructure, plant and equipment	7,085	14,038	4,752	6,127	4,870
Purchase of leasehold improvements	5,218	9,386	3,177	4,097	3,256
Purchase of intangibles	3,740	4,771	1,615	2,082	1,655
Total cash used	16,043	28,195	9,544	12,306	9,782
Net cash from (used by) investing activities	(15,784)	(28,195)	(9,544)	(12,306)	(9,782)
Cash received					
Contributed equity	3,659	24,447	9,544	12,306	9,782
Departmental Capital Budget	7,427	3,748	7,404	12,266	9,742
Total cash received	11,086	28,195	16,948	24,572	19,524
Net cash from (used by) financing activities	11,086	28,195	16,948	24,572	19,524
Net increase (decrease) in cash held	(3)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	586	583	583	583	583
Cash and cash equivalents at the end of the reporting period	583	583	583	583	583

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Capital Budget Statement — Departmental

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	7,427	3,748	7,404	12,266	9,742
Equity injections - Bill 2	12,326	15,780	2,140	40	40
Total capital appropriations	19,753	19,528	9,544	12,306	9,782
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	19,753	19,528	9,544	12,306	9,782
Total Items	19,753	19,528	9,544	12,306	9,782
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations	12,326	15,780	2,140	40	40
Funded by capital appropriation - DCB	7,427	3,748	7,404	12,266	9,742
Funded internally from departmental resources	-	8,667	-	-	-
TOTAL	19,753	28,195	9,544	12,306	9,782
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	19,753	28,195	9,544	12,306	9,782
Total cash used to acquire assets	19,753	28,195	9,544	12,306	9,782

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Table 3.2.6: Statement of Asset Movements (2011-12)

	Buildings	Other property, plant and equipment	Other	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2011				
Gross book value	25,750	23,551	12,695	61,996
Accumulated depreciation/amortisation and impairment	(3,907)	(5,655)	(8,959)	(18,521)
Opening net book balance	21,843	17,896	3,736	43,475
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	24,447	-	24,447
By purchase - appropriation ordinary annual services	1,141	2,077	530	3,748
Total additions	1,141	26,524	530	28,195
Other movements				
Depreciation/amortisation expense	(2,552)	(7,486)	(643)	(10,681)
Other	-	(133)	-	(133)
As at 30 June 2012				
Gross book value	26,891	50,075	13,225	90,191
Accumulated depreciation/amortisation and impairment	(6,459)	(13,274)	(9,602)	(29,335)
Closing net book balance	20,432	36,801	3,623	60,856

Prepared on Australian Accounting Standards basis.

Schedule of administered activity

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non - Taxation revenue					
Interest	4,187	5,369	5,880	6,263	6,646
Return of prior year administered expenses	17,931	9,465	10,412	11,453	12,140
Total non-taxation revenue	22,118	14,834	16,292	17,716	18,786
Total revenues administered on behalf of Government	22,118	14,834	16,292	17,716	18,786
Gains					
Sale of assets	306	-	-	-	-
Other	187	-	-	-	-
Total gains administered on behalf of Government	493	-	-	-	-
Total income administered on behalf of Government	22,611	14,834	16,292	17,716	18,786
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
International Development assistance	2,807,252	3,501,923	3,790,368	4,116,641	4,803,170
Grants	804,777	310,852	658,462	839,546	409,289
Finance costs	45,041	-	-	-	-
Concessional Loan discount	-	34,000	25,500	25,500	58,392
Concessional investment discount	-	-	224,024	275,003	-
Depreciation and amortisation	1,527	1,522	2,713	1,507	1,507
Write-down and impairment of assets	163,865	-	-	-	-
Foreign exchange losses	2,886	-	-	-	-
Other	401,593	-	-	-	-
Total expenses administered on behalf of Government	4,226,941	3,848,297	4,701,067	5,258,197	5,272,358

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	51,038	51,038	51,038	51,038	51,038
Loans and Receivables	78,206	69,097	73,597	78,097	88,402
Investments	991,054	991,054	1,005,178	1,045,178	1,045,178
Appropriation receivable - other	-	1,765,816	1,786,317	1,975,078	1,763,264
Appropriation receivable	-	-	-	-	-
- special accounts	-	130,830	100,830	70,830	2,134
GST input credits receivable	-	13,268	13,268	13,268	13,268
Other receivables	-	428	428	428	428
Total financial assets	1,120,298	3,021,531	3,030,656	3,233,917	2,963,712
Non-financial assets					
Leasehold improvements	3,383	3,511	4,368	5,714	7,025
Infrastructure, plant and equipment	45	638	1,643	1,972	2,476
Intangibles	5,450	5,648	5,702	5,684	5,666
Other	700	700	700	700	700
Total non-financial assets	9,578	10,497	12,413	14,070	15,867
Total assets administered on behalf of Government	1,129,876	3,032,028	3,043,069	3,247,987	2,979,579
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Grants	503,486	-	-	-	-
Trade creditors and contributions	1,092,252	-	-	-	-
IDA/ADF grant component	-	348,077	369,625	389,097	323,225
IDA/ADF concessional component	-	985,361	1,009,939	1,099,533	905,476
Aid program payable	-	446,684	421,072	500,779	1,294,998
Other payables	6,323	59,584	59,583	59,583	59,583
Total payables	1,602,061	1,780,122	1,800,636	1,989,409	2,523,699
Total liabilities administered on behalf of Government	1,602,061	1,780,122	1,800,636	1,989,409	2,523,699

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Return of prior year administered expenses	17,931	9,465	10,412	11,453	12,140
Net GST received	75,051	-	-	-	-
Other	47	-	-	-	-
Total cash received	93,029	9,465	10,412	11,453	12,140
Cash used					
International development assistance	2,839,465	3,530,825	3,641,245	3,839,438	4,000,651
Grant Payments	668,394	703,462	844,344	701,435	580,524
Other	0	9,465	10,412	11,453	12,140
Total cash used	3,507,859	4,243,752	4,496,001	4,552,326	4,593,315
Net cash from (used by) operating activities	(3,414,830)	(4,234,287)	(4,485,589)	(4,540,873)	(4,581,175)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant and equipment	306	-	-	-	-
Total cash received	306	-	-	-	-
Cash used					
Purchase of property, plant and equipment	1,781	2,441	2,456	2,506	2,296
Purchase of concessional instruments	215,380	-	-	-	-
Total cash used	217,161	2,441	2,456	2,506	2,296
Net cash from (used by) investing activities	(216,855)	(2,441)	(2,456)	(2,506)	(2,296)
Net increase (decrease) in cash held	(3,631,685)	(4,056,507)	(4,488,080)	(4,543,417)	(4,583,511)
Cash and cash equivalents at beginning of reporting period	14,604	51,038	51,038	51,038	51,038
Cash from Official Public Account for:					
- Appropriations	3,485,347	3,336,765	4,447,711	4,787,098	5,486,322
- Appropriations - ACB	1,741	2,209	2,456	2,505	2,296
- Capital Appropriations	151,668	47,903	242,123	319,069	-
- Special Accounts	64,593	45,000	35,000	43,000	-
Cash to Official Public Account for:					
- Appropriations	(17,652)	-	-	-	-
- Special Accounts	(17,193)	-	-	-	-
- GST to the OPA	(73,970)	-	-	-	-
Cash and cash equivalents at end of reporting period	51,038	51,038	51,038	51,038	51,038

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	1,973	2,209	2,456	2,505	2,296
Administered assets and liabilities - Bill 2	553,630	47,903	242,109	319,057	-
Total capital appropriations	555,603	50,112	244,565	321,562	2,296
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	1,973	2,209	2,456	2,505	2,296
Other Items	553,630	47,903	242,109	319,057	-
Total Items	555,603	50,112	244,565	321,562	2,296
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB	1,973	2,209	2,456	2,505	2,296
Funded internally from departmental resources	-	232	-	-	-
TOTAL	1,973	2,441	2,456	2,505	2,296
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,973	2,441	2,456	2,505	2,296
Total cash used to acquire assets	1,973	2,441	2,456	2,505	2,296

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Table 3.2.11: Statement of Administered Asset Movements (2011-12)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2011				
Gross book value	3,898	67	7,070	11,035
Accumulated depreciation/amortisation and impairment	(515)	(22)	(1,620)	(2,157)
Opening net book balance	3,383	45	5,450	8,878
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity ¹	-	-	-	-
By purchase - appropriation ordinary annual services ²	570	607	1,264	2,441
Total additions	570	607	1264	2441
Other movements				
Assets held for sale or in a disposal group held for sale				
Depreciation/amortisation expense	(442)	(14)	(1,066)	(1,522)
Other	-	-	-	-
As at 30 June 2012				
Gross book value	4,468	674	8,334	13,476
Accumulated depreciation/amortisation and impairment	(957)	(36)	(2,686)	(3,679)
Closing net book balance	3,511	638	5,648	9,797

¹ "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bills (No.2 & 4) 2011-12, including CDABs.

² "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No.1 & 3) 2011-12 for depreciation / amortisation expenses, ACBs or other operational expenses.

³ Proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

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AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

A full outline of ACIAR's strategic direction can be found in the *2011-12 Portfolio Budget Statements*. ACIAR's role, outcome and program remain unchanged as a result of Additional Estimates. ACIAR's program objective, deliverables and key performance indicators have been updated to reflect the initiative referred to below.

Through additional estimates the Government will fund the development and implementation of a multi-year project - "Official Development Assistance - Commonwealth Heads of Government Meeting - Australia Africa Food Security Initiative". The initiative provides for the establishment of the Australian International Food Security Centre (AIFSC) within ACIAR. The AIFSC will provide research and technical expertise to boost food security, with an initial focus on Africa.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for ACIAR at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2011-12 Budget year, including variations through Appropriation Bills No. 3 and No. 4, and special accounts.

Table 1.1: ACIAR resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimate as at Budget +	Proposed Additional = Estimate	Total estimate at Additional Estimates	Total available appropriation
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	1,005	-	1,005	-
Departmental appropriation ³	9,917	312	10,229	9,853
s31 Relevant agency receipts ⁴	50	(40)	10	15
Total	10,972	272	11,244	9,868
Administered expenses				
Outcome 1	75,381	3,500	78,881	61,035
Total	75,381	3,500	78,881	61,035
Total ordinary annual services	A 86,353	3,772	90,125	70,903
Other services⁵				
Departmental non-operating				
Equity injections	-	200	200	-
Total other services	B -	200	200	-
Total available annual appropriations	86,353	3,972	90,325	70,903
Total appropriations excluding Special Accounts	86,353	3,972	90,325	70,903
Special Accounts				
Opening balance ⁶	10,866	-	10,866	28,159
Non-appropriation receipts to Special Accounts	15,000	16,179	31,179	18,361
Total Special Account	C 25,866	16,179	42,045	46,520
Total resourcing				
A + B + C	112,219	20,151	132,370	117,423
Total net resourcing for ACIAR	112,219	20,151	132,370	117,423

1. Appropriation Bill (No.1 & 3) 2011-12

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

3. Includes an amount of \$0.316m in 2011-12 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. Section 31 Relevant Agency receipts — estimate

5. Appropriation Bill (No.2 & 4) 2011-12

6. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.1.

Reader note: All figures are GST exclusive.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into expense and capital measures, with the affected program identified. There have been no new Government revenue measures since the 2011-12 Budget.

Table 1.2: Agency 2011-12 Measures since Budget

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Official development assistance — Commonwealth Heads of Government Meeting — Australia Africa Food Security Initiative	1				
Administered expenses		3,500	8,500	9,000	12,000
Departmental expenses		313	1,097	1,104	1,114
Total		3,813	9,597	10,104	13,114
Reducing the cost of Government administration — one-off efficiency dividend	1				
Departmental expenses		-	(269)	(269)	(265)
Total		-	(269)	(269)	(265)
Total expense measures					
Administered		3,500	8,500	9,000	12,000
Departmental		313	828	835	849
Total		3,813	9,328	9,835	12,849
Capital measures					
Official development assistance — Commonwealth Heads of Government Meeting — Australia Africa Food Security Initiative	1				
Departmental capital		200	-	-	-
Total		200	-	-	-
Departmental Capital Budgets — Savings	1				
Departmental capital		-	(64)	(64)	(64)
Total		-	(64)	(64)	(64)
Total capital measures					
Departmental		200	(64)	(64)	(64)
Total		200	(64)	(64)	(64)

Prepared on a Government Financial Statistics (fiscal) basis

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for ACIAR at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Official development assistance — Commonwealth Heads of Government Meeting — Australia Africa Food Security Initiative	1	3,500	8,500	9,000	12,000
Net impact on estimates for Outcome 1 (administered)		3,500	8,500	9,000	12,000
Increase in estimates (departmental)					
Official development assistance — Commonwealth Heads of Government Meeting — Australia Africa Food Security Initiative	1	513	1,097	1,104	1,114
Decrease in estimates (departmental)					
Reducing the cost of Government administration — one-off efficiency dividend	1	-	(269)	(269)	(265)
Departmental Capital Budgets — Savings	1	-	(64)	(64)	(64)
Net impact on estimates for Outcome 1 (departmental)		513	764	771	785

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (administered)					
Paramater updates	1	-	473	893	997
Net impact on estimates for Outcome 1 (administered)		-	473	893	997
Increase in estimates (departmental)					
Paramater updates	1	-	9	19	9
Decrease in estimates (departmental)					
Paramater updates - capital	1	(1)	(1)	(1)	(1)
Net impact on estimates for Outcome 1 (departmental)		(1)	8	18	8

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.5: Appropriation Bill (No. 3) 2011-12

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
ADMINISTERED ITEMS					
Outcome 1					
To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships	61,035	75,381	78,881	3,500	-
Total	61,035	75,381	78,881	3,500	-
DEPARTMENTAL PROGRAMS					
Outcome 1					
To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships	9,853	9,917	10,229	312	-
Total	9,853	9,917	10,229	312	-
Total administered and departmental	70,888	85,298	89,110	3,812	-

2010-11 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Table 1.6: Appropriation Bill (No. 4) 2011-12

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Non-operating					
Equity injections					
Official development assistance —					
Commonwealth Heads of					
Government Meeting — Australia	-	-	200	200	-
Africa Food Security Initiative					
Total non-operating					
ACIAR					
Total	-	-	200	200	-

2010-11 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Section 2: Revisions to agency resources and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

OUTCOME 1

Outcome 1 strategy

The outcome strategy for ACIAR remains unchanged to that reported in the 2011-12 *Portfolio Budget Statements*.

Table 2.1 Budgeted Expenses and Resources for Outcome 1

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships	2010-11	2011-12
	Actual expenses	Revised estimated expenses
	\$'000	\$'000
Program 1: International Agricultural Research and Development		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	61,035	78,881
Special Accounts	35,905	30,950
Departmental expenses		
Departmental appropriation ¹	9,506	9,924
Expenses not requiring appropriation in the Budget year ²	277	354
Total for Program 1	106,723	120,109
<hr/>		
Average Staffing Level (number)	68	70

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bills No. 1 & 3)" and "Revenue from independent sources (s31)".

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

ACIAR Additional Estimates Statements

Program Objective – Program 1

Apart from the addition of the objective below program objectives remain unchanged as a result of Additional Estimates.

Administered program – additional objective

Provide research and technical expertise to boost food security in Africa.

Program Expenses – Program 1.

	2010-11 Actual \$'000	2011-12 Revised budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item	61,035	78,881	89,819	92,871	97,798
Special Account expenses:					
ACIAR Special Account	35,905	30,950	28,370	24,470	17,390
Annual departmental expenses:					
Departmental items	9,506	9,924	10,506	10,482	10,364
Expenses not requiring appropriation in the Budget year ¹	277	354	338	340	338
Total program expenses	106,723	120,109	129,033	128,163	125,890

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

Program Deliverables - Program 1

Apart from the addition of the deliverable below program deliverables remain unchanged as a result of Additional Estimates.

Administered program – additional deliverable

New research partnerships established and projects commissioned - Australian International Food Security Centre.

Program Key Performance Indicators – Program 1

Apart from the addition of the key performance indicator below program key performance indicators remain unchanged as a result of Additional Estimates.

Administered program – additional key performance indicator

Australian International Food Security Centre launched and operational.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by ACIAR. The corresponding table in the *2011-12 Portfolio Budget Statements* is Table 3.1.2.

Table 3.1.1: Estimates of special account flows

		Opening balance 2011-12 <i>2010-11</i>	Receipts 2011-12 <i>2010-11</i>	Payments 2011-12 <i>2010-11</i>	Adjustments 2011-12 <i>2010-11</i>	Closing balance 2011-12 <i>2010-11</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	10,866	31,179	32,174	-	9,871
Total Special Accounts 2011-12 Budget estimate		10,866	31,179	32,174	-	9,871
<i>Total Special Accounts 2010-11 actual</i>		28,159	18,361	35,654	-	10,866

(A) = Administered

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

These statements provide actual results for 2010-11 and the revised Budget for 2011-12 and forward years.

3.2.2 Budgeted financial statements

Departmental financial statements

The most significant changes in the departmental statements relate to the incorporation of the measures as detailed in Sections 1 and 2 above.

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

for the period ended 30 June

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	6,135	6,583	7,174	7,317	7,463
Supplier expenses	3,392	3,365	3,356	3,189	2,925
Depreciation and amortisation	240*	330*	314*	316*	314*
Write-down and impairment of assets	16	-	-	-	-
Total expenses	9,783	10,278	10,844	10,822	10,702
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9	10	10	10	10
Total own-source revenue	9	10	10	10	10
Gains					
Sale of assets	2	-	-	-	-
Other	21	24	24	24	24
Total gains	23	24	24	24	24
Total own-source income	32	34	34	34	34
Net cost of (contribution by) services	9,751	10,244	10,810	10,788	10,668
Revenue from Government	9,538	9,914	10,496	10,472	10,354
Surplus (Deficit)	(213)	(330)	(314)	(316)	(314)
Surplus (Deficit) attributable to the Australian Government	(213)	(330)	(314)	(316)	(314)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	383	-	-	-	-
Total other comprehensive income	383	-	-	-	-
Total comprehensive income attributable to the Australian Government	170	(330)	(314)	(316)	(314)

Note: Reconciliation of comprehensive income attributable to the agency*

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Total comprehensive Income (loss) attributable to the Australian Government	170	(330)	(314)	(316)	(314)
plus non-appropriated expenses depreciation and amortisation expenses	240	330	314	316	314
Total comprehensive income (loss) attributable to the agency	410	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	52	53	52	52	52
Trade and other receivables	3,021	3,070	3,171	3,221	3,296
Total financial assets	3,073	3,123	3,223	3,273	3,348
Non-financial assets					
Land and buildings	471	478	632	482	332
Property, plant and equipment	420	623	673	723	793
Intangibles	84	59	99	139	159
Other	206	200	200	200	200
Total non-financial assets	1,181	1,360	1,604	1,544	1,484
Total assets	4,254	4,483	4,827	4,817	4,832
LIABILITIES					
Payables					
Suppliers	452	450	475	475	475
Other	354	350	375	375	400
Total payables	806	800	850	850	875
Provisions					
Employee provisions	1,420	1,470	1,520	1,570	1,620
Total provisions	1,420	1,470	1,520	1,570	1,620
Total liabilities	2,226	2,270	2,370	2,420	2,495
Net assets	2,028	2,213	2,457	2,397	2,337
EQUITY					
Parent entity interest					
Contributed equity	315	830	1,388	1,644	1,898
Reserves	708	708	708	708	708
Retained surplus (accumulated deficit)	1,005	675	361	45	(269)
Total Equity	2,028	2,213	2,457	2,397	2,337

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	1,005	708	-	315	2,028
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	1,005	708	-	315	2,028
Comprehensive income					
Surplus (deficit) for the period	(330)	-	-	-	(330)
Total comprehensive income	(330)	-	-	-	(330)
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	200	200
Departmental Capital Budget (DCBs)	-	-	-	315	315
Sub-total transactions with owners	-	-	-	515	515
Closing balance attributable to the Australian Government	675	708	-	830	2,213

Prepared on Australian Accounting Standards basis

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	9	10	10	10	10
Appropriations	8,979	9,865	10,395	10,422	10,279
Net GST received	233	230	230	225	220
Other	240	-	-	-	-
Total cash received	9,461	10,105	10,635	10,657	10,509
Cash used					
Employees	5,975	6,537	7,099	7,267	7,388
Suppliers	3,658	3,567	3,537	3,390	3,121
Total cash used	9,633	10,104	10,636	10,657	10,509
Net cash from (used by) operating activities	(172)	1	(1)	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	6	-	-	-	-
Total cash received	6	-	-	-	-
Cash used					
Purchase of land and buildings	-	167	304	-	-
Purchase of property, plant and equipment	207	348	200	202	200
Purchase of intangibles	19	-	54	54	54
Total cash used	226	515	558	256	254
Net cash from (used by) investing activities	(220)	(515)	(558)	(256)	(254)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	226	515	558	256	254
Total cash received	226	515	558	256	254
Net cash from (used by) financing activities	226	515	558	256	254
Net increase (decrease) in cash held	(166)	1	(1)	-	-
Cash and cash equivalents at the beginning of the reporting period	218	52	53	52	52
Cash and cash equivalents at the end of the reporting period	52	53	52	52	52

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Capital Budget Statement — Departmental

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	315	315	254	256	254
Equity injections - Bill 2	-	200	304	-	-
Total capital appropriations	315	515	558	256	254
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	315	515	558	256	254
Total Items	315	515	558	256	254
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	200	304	-	-
Funded by capital appropriation - DCB ¹	305	315	254	256	254
TOTAL	305	515	558	256	254
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	226	515	558	256	254
Total cash used to acquire assets	226	515	558	256	254

¹ Includes purchase from current and previous years' Departmental Capital Budgets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Table 3.2.6: Statement of Asset Movements (2011-12)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2011				
Gross book value	471	420	458	1,349
Accumulated depreciation/amortisation and impairment	-	-	(374)	(374)
Opening net book balance	471	420	84	975
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity ¹				
By purchase - appropriation ordinary annual services ²	167	33	-	200
	-	315	-	315
Total additions	167	348	-	515
Other movements				
Depreciation/amortisation expense	(160)	(145)	(25)	(330)
As at 30 June 2012				
Gross book value	638	768	458	1,864
Accumulated depreciation/amortisation and impairment	(160)	(145)	(399)	(704)
Closing net book balance	478	623	59	1,160

¹ "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bills (No.2 & 4) 2011-12, including CDABs.

² "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No.1 & 3) 2011-12 for depreciation / amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

Schedules of administered activity

The most significant changes in the schedules of administered activity relate to the incorporation of the measures as detailed in Sections 1 and 2 above and an update of external revenue estimates (non-taxation revenue – other).

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other	35,909	30,950	28,370	24,470	17,390
Total non-taxation revenue	35,909	30,950	28,370	24,470	17,390
Total revenues administered on behalf of Government	35,909	30,950	28,370	24,470	17,390
Total income administered on behalf of Government	35,909	30,950	28,370	24,470	17,390
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
International development assistance					
Employee benefits	44	60	60	60	60
Supplier expenses	96,896	109,771	118,129	117,281	115,128
Total expenses administered on behalf of Government	96,940	109,831	118,189	117,341	115,188

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	10,866	9,871	9,871	9,871	9,871
Taxation receivables	829	829	829	829	829
Receivables	717	500	500	500	500
Other	12	-	-	-	-
Total financial assets	12,424	11,200	11,200	11,200	11,200
Non-financial assets					
Other	27	125	125	125	125
Total non-financial assets	27	125	125	125	125
Total assets administered on behalf of Government	12,451	11,325	11,325	11,325	11,325
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	1,617	1,711	2,000	2,050	2,100
Personal benefits	3	5	5	5	5
Other	698	698	698	698	698
Total payables	2,318	2,414	2,703	2,753	2,803
Provisions					
Employee provisions	3	5	7	10	10
Unearned income	11,224	10,000	10,000	10,000	10,000
Total provisions	11,227	10,005	10,007	10,010	10,010
Total liabilities administered on behalf of Government	13,545	12,419	12,710	12,763	12,813

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
External Funds	18,361	31,179	28,370	24,470	17,390
Net GST received	4,315	4,350	4,500	4,550	4,600
Total cash received	22,676	35,529	32,870	29,020	21,990
Cash used					
International development assistance					
Suppliers	100,333	115,349	122,440	121,781	119,678
Employees	38	56	58	57	60
Total cash used	100,371	115,405	122,498	121,838	119,738
Net cash from (used by) operating activities	(77,695)	(79,876)	(89,628)	(92,818)	(97,748)
Net increase (decrease) in cash held					
Cash and cash equivalents at beginning of reporting period	28,159	10,866	9,871	9,871	9,871
Cash from Official Public Account for: - Appropriations	64,721	83,231	94,128	97,368	102,348
Cash to Official Public Account for: - Appropriations	(4,319)	(4,350)	(4,500)	(4,550)	(4,600)
	88,561	89,747	99,499	102,689	107,619
Cash and cash equivalents at end of reporting period	10,866	9,871	9,871	9,871	9,871

Prepared on Australian Accounting Standards basis.

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; and
- Administered expense appropriations: for the estimated administered expenses relating to specific programs.

Asset valuation

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

GLOSSARY

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF).
Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other

Glossary and Acronyms

	administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measure the joint or independent contribution of programs to the achievement of their specified outcome.
Efficiency indicators	Measure the adequacy of an agency's management of its programs. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one program should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of programs.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.

Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between the user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of a program; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (<i>Financial Management and Accountability (FMA) Act 1997</i> , subsection 20 and 21). Special Accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 20 FMA Act) or through an Act of Parliament (referred to in section 21 of the FMA Act).
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For Special Appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing Appropriations are a sub-category consisting of ongoing Special Appropriations - the amount appropriated will depend on circumstances specified in the legislation.