Portfolio Additional

Estimates Statements 2015-16

Foreign Affairs and Trade Portfolio

Explanations of Additional Estimates 2015-16

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MINISTER

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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  
2015-16 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

The Hon Julie Bishop MP The Hon Andrew Robb AO MP

Minister for Foreign Affairs Minister for Trade and Investment

# 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nfp not for publication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   
Mr Paul Wood, Chief Financial Officer in the Department of Foreign Affairs and Trade on (02) 6261 1240.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Estimates Statements) can be located on the Australian Government Budget website at www.budget.gov.au.

User guide  
to the  
Portfolio Additional  
Estimate Statements

# User Guide

The purpose of the 2015-16 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the Portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, 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 programmes supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3* and *4) 2015-16*. 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 (MYEFO) 2015-16* 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 entities 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 entities in the Portfolio. | |
| Entity Additional Estimates Statements | |
| A statement (under the name of the entity) for each entity affected by Additional Estimates. | |
| Section 1: Entity overview and resources | This section details the changes in total resources available to an entity, the impact of any measures since Budget, and impact of *Appropriation Bills Nos. 3* and *4*. |
| Section 2: Revisions to outcomes and planned performance | This section details **changes** to Government outcomes and/or **changes** to the planned performance of entity programmes. |
| 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. |
| Portfolio glossary | Explains key terms relevant to the Portfolio. |

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Portfolio overview

# Portfolio overview

The four portfolio ministers are the Minister for Foreign Affairs, the Hon Julie Bishop MP, the Minister for Trade and Investment, the Hon Andrew Robb AO MP, the Minister for International Development and the Pacific, the Hon Steven Ciobo MP, and the Minister for Tourism and International Education and the Minister Assisting the Minister for Trade and Investment, Senator the Hon Richard Colbeck. Mr Ciobo and Senator Colbeck were sworn in on 21 September 2015.

A full outline of the Foreign Affairs and Trade Portfolio Overview can be found in the Portfolio Budget Statements 2015-16.

ADDITIONAL ESTIMATES AND VARIATIONS – PORTFOLIO LEVEL

The Portfolio is seeking a net increase of $61.6 million in *Appropriation Bills No. 3* and *No. 4* for 2015-16.

**Department of Foreign Affairs and Trade (DFAT) $44.6 million**

Departmental items

* $1.3m funding for the Department’s engagement with the Asian Infrastructure Investment Bank;
* ($0.3m) adjustment for savings on Public Sector Superannuation accumulation plan (PSSap) administration costs;
* $0.8m adjustment for overseas inflation;
* $27.1m adjustment for foreign exchange movements; and
* ($7.7m) adjustment for passport funding due to lower than expected passports issued in 2015-16.

Administered items

* $0.2m adjustment for foreign exchange movements;
* $10.4m adjustment for contributions to UN Peacekeeping Operations;
* $6.4m adjustment for contributions to International Organisations; and
* $6.5m adjustment for contributions from Other Government Departments to the Official Development Assistance — reprioritised funding measure.

**Australian Trade Commission (Austrade) $10.3 million**

Departmental items

* $6.0m adjustment for a movement of funds for Free Trade Agreement Promotion;
* $0.8m adjustment for simpler land arrangements to support investment in the north;
* $3.5m adjustment for foreign exchange movements; and
* ($0.04m) adjustment for savings on Public Sector Superannuation accumulation plan (PSSap) administration costs.

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

There are no additional measures or variations for ACIAR.

**Australian Secret Intelligence Service (ASIS)**

There are no additional measures or variations for ASIS.

**Export Finance and Insurance Corporation (EFIC)**

EFIC does not appear in the Portfolio Additional Estimates Statements as it is not part of the general government sector.

**Tourism Australia $6.7 million**

Departmental items

* $6.7m adjustment for foreign exchange movements in 2014-15.

Figure 1: Foreign Affairs and Trade portfolio structure and outcomes

*Ben*

## Portfolio resources

Table 1 shows those entities reporting in the PAES and the additional resources provided to the Portfolio in the 2015-16 budget year, by entity.

Table 1: Portfolio Resources (2015-16 Additional Estimates)



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# Department of Foreign Affairs and Trade

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# Department of Foreign Affairs and Trade

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

To further progress the priorities outlined in the *Portfolio Budget Statements 2015-16*, the Government has allocated funds for Australia’s investment as a founding member of the Asian Infrastructure Investment Bank (AIIB). The Department and the Treasury are together engaging the AIIB, with staff assigned in Canberra and the deployment of a staff member to Beijing (China), to facilitate Australia’s participation as a member of the bank.

A full outline of DFAT’s Strategic Direction can be found in the *Portfolio Budget Statements 2015-16*.

### 1.2 Entity resource statement

The Entity Resource Statement details the resourcing for DFAT at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015-16 Budget year, including variations through *Appropriation Bill Nos. 3* and *No. 4,* Special Appropriations and Special Accounts.

Table 1.1: DFAT resource statement — Additional Estimates for   
2015-16 as at Additional Estimates February 2016



Table continued on the following page.

**Table 1.1: DFAT resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)**



1. *Appropriation Bill (No.1* and *No. 3) 2015-16.*
2. Estimated adjusted balance carried forward from previous year.
3. Includes an amount of $52.171m in 2015-16 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. Estimated retained revenue receipts under section 74 of the *PGPA Act*.
5. Includes an amount of $2.325m in 2015-16 for the Administered Capital Budget (refer to Table 3.2.10 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.
6. 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act 2013.*
7. *Appropriation Bills (No.2* and *No. 4) 2015-16.*
8. Repayments not provided for under other appropriations. Amounts received on or before 30 June 2014 were repaid under section 28 of the *Financial Management and Accountability Act 1997.*
9. Estimated opening balance for special accounts (less ‘Special Public Money’ held in accounts like Other Trust Monies accounts (OTM), *Services for other Government and Non-agency Bodies* accounts (SOG), or *Services for Other Entities and Trust Moneys* accounts (SOETM)).
10. For further information on special accounts see Table 3.1.1.
11. Appropriation receipts from DFAT annual and special appropriations for 2015-16 included above.
12. Appropriation receipts from other entities credited to DFAT's special accounts.

Reader note: All figures are GST exclusive. These figures may not match figures in the cash flow statement.

Table continued on the following page.

**Table 1.1: DFAT resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)**

Third party payments from and on behalf of other entities



### 1.3 Entity Measures

Table 1.2 summarises new Government measures taken since the 2015-16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2015-16 measures since Budget



Table continued on the following page.

Table 1.2: Entity 2015-16 measures since Budget (continued)



**Prepared on a Government Financial Statistics (fiscal) basis.**

### The lead entity for Asian Infrastructure Investment Bank is Treasury. The full measure description and package details appear in MYEFO under the Treasury Portfolio.

### The lead entity for Our North, Our Future - business, trade and investment gateway is the Department of Industry, Innovation and Science. The full measure description and package details appear in MYEFO under the Industry, Innovation and Science Portfolio.

### The lead entity for Our North, Our Future — workforce for growth is the Department of Immigration and Border Protection. The full measure description and package details appear in MYEFO under the Immigration and Border Protection Portfolio.

### Public Sector Superannuation accumulation plan administration fees is a cross portfolio measure lead by the Department of Finance. The full measure description appears in 2014-15 MYEFO under cross portfolio measures. Savings for this measure were included as a 'decision taken but not yet announced' in the 2014‑15 Budget.

### Public Sector savings - Enterprise Resource Planning is a cross portfolio measure lead by the Department of Finance. The full measure description and package appear in the 2015-16 Budget under cross portfolio measures.

### 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 2015-16 Budget in *Appropriation Bills Nos. 3* and*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 2015-16 Budget



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



### 1.5 Breakdown of additional estimates by appropriation bill

The following tables detail the Additional Estimates sought for DFAT through *Appropriation Bills Nos. 3* and *4*.

Table 1.5: Appropriation Bill (No. 3) 2015-16



Table continued on the following page.

Table 1.5: Appropriation Bill (No. 3) 2015-16 (continued)



Table 1.6: Appropriation Bill (No. 4) 2015-16

There is no change to DFAT information supplied in the *Portfolio Budget* *Statements 2015-16*.

## Section 2: Revisions to outcomes and planned performance

### 2.1 outcomes and performance information

There is no change to DFAT’s outcomes and performance information as expressed in the *Portfolio Budget Statements 2015-16.*

Outcome 1: The advancement of Australia’s international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities

#### Outcome 1 strategy

There is no change to the Department’s Outcome Strategy as expressed in the Portfolio Budget Statements 2015-16.

Measures being funded through Additional Estimates reflect the Government’s foreign, trade, international development and security policy priorities through Australia’s bilateral, regional and multilateral relationships.

As part of the Mid-Year Economic and Fiscal Outlook (MYEFO), the Government allocated funds to support Australia’s founding membership of the Asian Infrastructure Investment Bank (AIIB).

Table 2.1.1 Budgeted expenses for Outcome 1

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Table continued on the following page.

##### Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

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Table continued on the following page.

**Table 2.1.1 Budgeted expenses for Outcome 1 (continued)**

##### 

1. Includes payments for the Debt-to-Health Swap with the Government of Indonesia of $12.0 million in 2014-15 and $13.4 million in 2015-16.
2. This reflects the amount of funding to be disbursed on a cash basis, not an expense basis.
3. Departmental appropriation combines 'Ordinary annual services (*Appropriation Bill No. 1*)' and 'Revenue from independent sources (s 74)'.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.
5. Expenses not requiring appropriation in the Budget year relates to the concessional investment discount for the discounting of the investment component for the International Development Association and Asian Development Fund.
6. A new programme (Programme 1.2: Official Development Assistance) has been created effective from 1 July 2015 which combines the forward estimates of these programmes.
7. Average Staffing Levels (ASL) figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 and Outcome 3.

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

##### Programme 1.1: Foreign Affairs and Trade Operations

##### Programme objective 1.1

There is no change to the objective for Programme 1.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.1

##### 

##### Includes Programme 1.4: International Climate Change Engagement Programme published in *Portfolio Additional Estimates Statements 2014-15.*

1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

##### Programme deliverables 1.1

There is no change to the deliverables for Programme 1.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.1

There is no change to the key performance indicators for Programme 1.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.2: Official Development Assistance

##### Programme objective 1.2

There is no change to the objective for Programme 1.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.2

##### 

1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

**Programme deliverables 1.2**

There is no change to the deliverables for Programme 1.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.2

There is no change to the key performance indicators for Programme 1.2 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.3: Official Development Assistance – Multilateral Replenishments

##### Programme objective 1.3

There is no change to the objective for Programme 1.3 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.3

##### 

1. Expenses not requiring appropriation in the Budget year relate to the concessional investment discount for the discounting of the investment components for International Development Association and Asian Development Fund.

##### Programme deliverables 1.3

There is no change to the deliverables for Programme 1.3 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.3

There is no change to the key performance indicators for Programme 1.3 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.4: Official Development Assistance – East Asia AIPRD

##### Programme objective 1.4

There is no change to the objective for Programme 1.4 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.4

##### 

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

##### Expenses not requiring appropriation year relates to the concessional discounting of the loan.

##### Programme deliverables 1.4

There is no change to the deliverables for Programme 1.4 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.4

There is no change to the key performance indicators for Programme 1.4 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.5: Payments to International Organisations

##### Programme objective 1.5

There is no change to the objective for Programme 1.5 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.5

##### 

##### Programme deliverables 1.5

There is no change to the deliverables for Programme 1.5 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.5

There is no change to the key performance indicators for Programme 1.5 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.6: New Colombo Plan – Transforming Regional Relationships

##### Programme objective 1.6

There is no change to the objective for Programme 1.6 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.6

##### 

##### Programme deliverables 1.6

There is no change to the deliverables for Programme 1.6 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.6

There is no change to the key performance indicators for Programme 1.6 as expressed in the *Portfolio Budget Statements 2015-16.*

##### Programme 1.7: Public Information Services and Public Diplomacy

##### Programme objective 1.7

There is no change to the objective for Programme 1.7 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.7

##### 

##### Programme deliverables 1.7

There is no change to the deliverables for Programme 1.7 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.7

There is no change to the key performance indicators for Programme 1.7 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 1.8: Programmes to Promote Australia’s International Tourism Interests

##### Programme objective 1.8

There is no change to the objective for Programme 1.8 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.8

##### 

##### The balance of this programme has been transferred to Austrade. Refer to *Portfolio Budget Statements 2015-16*, page 103.

##### Programme deliverables 1.8

There is no change to the deliverables for Programme 1.8 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 1.8

There is no change to the key performance indicators for Programme 1.8 as expressed in the *Portfolio Budget Statements 2015-16.*

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 Portfolio Budget Statements 2015-16.

DFAT will return $7.7m of passport funding due to lower than expected numbers of passports issued in 2015-16.

Table 2.1.2 Budgeted expenses for Outcome 2

##### 

##### This reflects actual cash disbursements from the property account.

##### Departmental appropriation combines 'Ordinary annual services (*Appropriation Act No. 1* & *Bill No. 3*)' and 'Revenue from independent sources (s 74)'.

##### Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

##### Average Staffing Levels (ASL) figures are estimates only. ASL allocated to Outcome 2 may also, at times, contribute to Outcome 1 and Outcome 3.

##### Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as Government priorities change.Programme 2.1: Consular Services

##### Programme objective 2.1

There is no change to the objective for Programme 2.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 2.1

##### 

##### This expense does not include $0.55m for Traveller’s Emergency Loans, as these are treated as receivables and form part of the receivable balance in Table 3.2.8.

##### Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, audit fees.

##### Programme deliverables 2.1

There is no change to the deliverables for Programme 2.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 2.1

There is no change to the key performance indicators for Programme 2.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 2.2: Passport Services

##### Programme objective 2.2

There is no change to the objective for Programme 2.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 2.2

##### 

##### Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, audit fees.

##### Programme deliverables 2.2

There is no change to the deliverables for Programme 2.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 2.2

There is no change to the key performance indicators for Programme 2.2 as expressed in the *Portfolio Budget Statements 2015-16*.

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 Portfolio Budget Statements 2015-16.

Table 2.1.3 Budgeted expenses for Outcome 3



1. Departmental appropriation combines 'Ordinary annual services(*Appropriation Act No. 1* and *Bill No. 3*)'and 'Revenue from independent sources (s 74)'.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, audit fees.
3. This reflects actual cash disbursements from the property account.
4. Average Staffing Levels (ASL) figures are estimates only. ASL allocated to Outcome 3 may also, at times, contribute to Outcome 1 and Outcome 2.

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

##### Programme objective 3.1

There is no change to the objective for Programme 3.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 3.1

##### 

##### Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, audit fees.

##### Programme deliverables 3.1

There is no change to the deliverables for Programme 3.1 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 3.1

There is no change to the key performance indicators for Programme 3.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme 3.2: Overseas Property

##### Programme objective 3.2

There is no change to the objective for Programme 3.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme expenses 3.2

##### 

##### This reflects actual cash disbursements from the property account.

##### Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, audit fees.

##### Programme deliverables 3.2

There is no change to the deliverables for Programme 3.2 as expressed in the Portfolio Budget Statements 2015-16.

##### Programme key performance indicators 3.2

There is no change to the key performance indicators for Programme 3.2 as expressed in the *Portfolio Budget Statements 2015-16*.

## 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 2015‑16 PB Statements is Table 3.1.2.

Table 3.1.1: Estimates of special account flows and balances



Table continued on the following page.

Table 3.1.1: Estimates of special account flows and balances (continued)

### 

(A) = Administered

(D) = Departmental

1. Note that this account was closed in August 2015 and replaced with the Consular Services Special Account *- s78 PGPA Act* Determination 2015/05.
2. Note that this account was closed in April 2015 and replaced with the Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account - *s78 PGPA Act* Determination 2015/01.

### 3.2 Budgeted financial statements

#### 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. DFAT has two programmes 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.

##### Budget Departmental Income Statement

The Department will receive a net increase in revenue from Government of $2.5 million (excluding equity injections) in 2015-16.

DFAT’s change in revenue is primarily attributable to funding for the Department’s engagement with the Asian Infrastructure Investment Bank, an adjustment for within year foreign exchange movements and an adjustment for passport funding due to lower than expected passports issued in 2015-16.

##### Budgeted Departmental Balance Sheet

The Department will not receive additional equity in 2015-16. For 2015-16, the Department’s non-financial asset position is budgeted to be $3,865.0 million at year-end. The major asset component is $3,076.2 million for Land and Buildings.

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

This schedule identifies the main revenues and expenses for those programs managed and implemented by DFAT on behalf of the Government.

Administered revenues are forecast to decrease by $22.3 million from the 2015-16 Budget primarily due to a decrease in passport revenues.

Administered expenses are forecast to increase by $30.2 million from the 2015-16 Budget primarily due to an increase in UN peacekeeping operations and other payments to International Organisations.

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

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

Asset and liabilities administered on behalf of the Government are budgeted at $4,305.5 million and $1,902.5 million respectively for the year ending 30 June 2016.

##### Schedule of budgeted administered cash flows

This schedule 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.

#### 3.2.1 Budgeted financial statements

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June



Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)



1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015-16)

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)



1. Includes both Act 2, Bill 4 and prior Act 2/4/6 appropriations and special capital appropriations.
2. Does not include annual finance lease costs. Include purchases from current and previous years' Departmental Capital Budgets (DCBs).
3. Includes the following sources of funding:

* Act 1, Bill 3 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
* internally developed assets;
* s 74 Retained revenue receipts;
* proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (2015-16 Budget year)



1. “Appropriation equity” refers to equity injections or Administered Assets and Liabilities appropriations provided through *Appropriation Act* (*No.2*) *2015-16* and *Bill* (*No.4*) *2015-16*, including CDABs.
2. “Appropriation ordinary annual services” refers to funding provided through *Appropriation Act (No.1) 2015-16* and *Bill* (*No.3*) 2015-16 for depreciation/amortisation expenses, DCBs or other operational expenses.

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)



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



1. International Development Association (IDA) and Asian Development Fund (ADF).

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)



1. International Development Association (IDA) and Asian Development Fund (ADF).

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of administered capital budget (for the period ended 30 June)



1. Includes purchases from current and previous years' administered capital budgets (ACBs).

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Statement of administered asset movements (2015-16 Budget year)



1. 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bills* (*No.1* & *No. 3*) *2015-16* for depreciation/amortisation expenses, ACBs or other operational expenses.

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 two administered investments in:

* Export Finance and Insurance Corporation with an estimated asset value of $436.8 million as at 30 June 2016; and
* Tourism Australia with an estimated asset value of $19.5 million as at 30 June 2016.

##### Asset Valuation

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

# Australian Trade Commission (Austrade)

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# Australian Trade Commission (Austrade)

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

A full outline of Austrade’s current strategic direction can be found in the *Portfolio Budget Statements 2015-16*.

### 1.2 Entity resource statement

The Entity Resource Statement details the resourcing for Austrade at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015-16 Budget year, including variations through *Appropriation Bill No. 3* and *No. 4,* special appropriations and special accounts.

Table 1.1: Austrade Resource Statement — Additional Estimates for   
2015-16 as at Additional Estimates February 2016



(a) *Appropriation Act (No. 1) 2015-16* and *Appropriation Bill (No. 3) 2015-16.*

(b) Estimated adjusted balance carried from previous year for annual appropriations.

(c) Includes an amount of $14.160m in 2015-16 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'.

(d) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.

Reader note: All figures are GST exclusive. These figures may not match figures in the cash flow statement.

### 1.3 Entity Measures

Table 1.2 summarises new Government measures taken since the 2015-16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2015-16 measures since Budget



**Prepared on a Government Financial Statistics (fiscal) basis.**

(a) The lead entity for measure National Innovation and Science Agenda - Global Innovation Strategy is the Department of Industry, Innovation and Science. The full measure description and package details appear in MYEFO under the Industry, Innovation and Science Portfolio.

(b) The lead entity for measure Our North, Our Future - simpler land arrangements to support investment is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in MYEFO under the Prime Minister and Cabinet Portfolio.

### 1.4 Additional estimates and variations

The following tables detail the changes to the resourcing for Austrade at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2015-16 Budget in *Appropriation Bill 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 2015-16 Budget



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

### 1.5 Breakdown of additional estimates by appropriation bill

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

Table 1.5: Appropriation Bill (No. 3) 2015-16



Note: 2014-15 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + AFM - section 51 withholdings - administrative quarantines +/- Machinery of Government transfers.

Table 1.6: Appropriation Bill (No. 4) 2015-16

There is no change to Austrade information supplied in the *Portfolio Budget* *Statements 2015-16*.

## Section 2: Revisions to outcomes and planned performance

### 2.1 outcomes and performance information

There is no change to Austrade’s outcomes and performance information as expressed in the *Portfolio Budget Statements 2015-16*.

Outcome 1: Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government

#### Outcome 1 strategy

There is no change to Austrade’s Outcome Strategy as expressed in the *Portfolio Budget Statements 2015-16*.

Table 2.1.1 Budgeted expenses for Outcome 1



1. Departmental Appropriation combines "Ordinary annual services” (*Appropriation Act No. 1* and *Bill No. 3*)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013".
2. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

##### Program 1.1: Promotion of Australia’s exports and other international economic interests

##### Programme objective 1.1

There is no change to the objective for Programme 1.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme expenses 1.1



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

##### Programme deliverables 1.1

There is no change to the deliverables for Programme 1.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme key performance indicators 1.1

There is no change to the key performance indicators for Programme 1.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Program 1.2: Programmes to promote Australia’ export and other international economic interests

##### Programme objective 1.2

There is no change to the objective for Programme 1.2 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme expenses 1.2



##### Programme deliverables 1.2

There is no change to the deliverables for Programme 1.2 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme key performance indicators 1.2

There is no change to the key performance indicators for Programme 1.2 as expressed in the *Portfolio Budget Statements 2015-16*.

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

#### Outcome 2 strategy

There is no change to Austrade’s Outcome Strategy as expressed in the *Portfolio Budget Statements 2015-16*.

Table 2.1.2 Budgeted expenses for Outcome 2



(a) Departmental Appropriation combines "Ordinary annual services (*Appropriation Act No. 1* and *Bill No. 3*)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013".

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

##### Program 2.1: Consular and Passport Services

##### Programme objective 2.1

There is no change to the objective for Programme 2.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme expenses 2.1

##### 

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

##### Programme deliverables 2.1

There is no change to the deliverables for Programme 2.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### Programme key performance indicators 2.1

There is no change to the key performance indicators for Programme 2.1 as expressed in the *Portfolio Budget Statements 2015-16*.

##### 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 Austrade. The corresponding table in the *2015‑16 Portfolio Budget Statements* is Table 3.1.2.

Table 3.1.1: Estimates of special account flows and balances



### 3.2 Budgeted financial statements

#### 3.2.1 Analysis of budgeted financial statements

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

#### 3.2.2 Budgeted financial statements

##### Departmental Financial Statements

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

##### Budgeted departmental comprehensive income statement

This statement provides actual financial results for 2014-15 and the estimated revenue and expenses for 2015-16 and forward years.

Total income in 2015-16 is estimated to be $240.2 million, an increase of $12.9 million from the Budget. The increase is mainly due to a $6.0 million movement of funds for Free Trade Agreement Promotion and a $5.1 million increase in estimated own-source income. The 2015-16 total income excludes $3.1 million supplementation for foreign exchange movements as they relate to prior years’ activities. These amounts are included in Table 1.1 Austrade Resource Statement.

Total estimated expenses for 2015-16 have increased by $13.6 million from Budget to reflect the increase in income and estimated depreciation.

**Budgeted departmental balance sheet**

This statement discloses the estimated end of year financial position for Austrade. Austrade’s budgeted net asset position at the end of 2015-16 of $62.7 million is consistent with the 2014-15 actual of $62.9 million in Table 3.2.2.

**Departmental capital budget statement**

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

**Departmental statement of asset movements**

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

**Schedule of administered activity**

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

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

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

Administered expenses of $145.3 million for 2015-16 relate to the EMDG Scheme ($137.9 million), ABE Plan ($0.6 million), Free Trade Agreement Promotion ($1.4 million), Tasmania Regional Tourism Package ($4.4 million) and Tropical Health ($1.0 million). The EMDG Scheme is comprised of $131.0 million in grant expenditure and $6.9 million in expenditure for the costs of administration on behalf of the Government. ABE Plan, FTA Promotion, Tasmania Regional Tourism Package and Tropical Health are wholly comprised of grant expenditure.

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

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

Total administered assets and liabilities for 2015-16 are estimated at $0.04 million and $8.8 million respectively.

**Schedule of budgeted administered cash flows**

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

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June



*Table continued on the following page.*

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)



(a) From 2010-11, the Government introduced net cash appropriation arrangements where *Appropriation Act No. 1* or *Bill No. 3* revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through *Appropriation Act No. 1* or *Bill No. 3* equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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



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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015-16)

 Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

 (a) Includes both current and prior Act 3 and Bills 4/6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (2015-16 Budget year)



(a) “Appropriation equity” refers to equity injections or Administered Assets and Liabilities appropriations provided through *Appropriation Act (No.2) 2015-16* and *Bill (No.4) 2015-16*, including CDABs.

(b) “Appropriation ordinary annual services” refers to funding provided through *Appropriation Act (No.1) 2015-16* and *Bill (No.3) 2015-16* for depreciation/amortisation expenses, DCBs or other operational expenses.

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)

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)

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

#### Notes to the financial statements

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

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

##### Departmental

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

##### Administered

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

# TOURISM AUSTRALIA

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# TOURISM AUSTRALIA

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

## There is no change to Tourism Australia’s Strategic Direction. For further details please refer to *Portfolio Budget Statements 2015-16* Budget Related Paper No. 1.9 Foreign Affairs and Trade Portfolio.

### 1.2 Entity resource statement

The Entity Resource Statement details the resourcing for Tourism Australia at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015-16 Budget year, including variations through *Appropriation Bill Nos. 3* and *No. 4*, special appropriations and special accounts.

An additional appropriation of $6.7 million representing a supplementation of foreign exchange loss relates to the prior year’s activities (2014-15).

Tourism Australia does not receive any special appropriations nor does it have any special accounts.

Table 1.1: CAC Act Body Tourism Australia Resource Statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016



(a) Appropriation Act (No. 1 and No. 3) 2015-2016.

(b) Estimated adjusted balance carried from previous year for annual appropriations. Reader note: All figures are GST exclusive.

### 1.3 Entity Measures table

Tourism Australiahas no new measures, and no new decisions taken but not yet announced, since the 2015-16 Budget.

### 1.4 Additional Estimates and variations

The following table details the changes to the resourcing for Tourism Australia at Additional Estimates, by outcome. Table 1.4 details Additional Estimates or variations through factors such as parameter adjustments.

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

### 1.5 Breakdown of additional estimates by appropriation bill

The following tables detail the Additional Estimates sought for Tourism Australia through *Appropriation Bills Nos. 3* and *4*.

Table 1.5: Appropriation Bill (No. 3) 2015-16



**Note 1:** 2015-16 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to:

*Budget Appropriation + Additional Estimates Appropriation + AFM – Savings* *- Other Reductions (includes all quarantines + movement of funds) +/- Machinery of Government transfers - formal reductions determined by the Finance Minister.*

Table 1.6: Appropriation Bill (No. 4) 2015-16

There is no change to Tourism Australia information supplied in the *Portfolio Budget* *Statements 2015-16*.

## Section 2: Revisions to outcomes and planned performance

### 2.1 Outcomes and performance information

There is no change to Tourism Australia’s outcomes and performance information as expressed in the *Portfolio Budget Statements 2015-16.*

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets

#### Outcome 1 strategy

There is no change to Tourism Australia’s Outcome Strategy as expressed in the Portfolio Budget Statements 2015-16. For further details please refer to Portfolio Budget Statements 2015-16 Budget Related Paper No. 1.9 Foreign Affairs and Trade Portfolio.

Table 2.1 Budgeted expenses for Outcome 1



##### Programme objective 1.1

Programme objective, deliverables and key performance indicators remain consistent with those published in the Portfolio Budget Statements 2015-16.

##### Programme expenses 1.1

Table 2.2 provides a breakdown of programme 1 expenses by component.

Table 2.2 Programme 1 Expenses by Component



## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 Explanatory Tables

#### Estimates of special account flows

A Special Account Statement is not applicable as Tourism Australia has no special accounts.

### 3.2 Budgeted financial statements

#### 3.2.1 Analysis of budgeted financial statements

The financial framework upon which the financial statements are based has not changed since the 2015-16 Budget.

##### Departmental financial statements

* An additional appropriation of $6.7 million, representing supplementation of a foreign exchange loss, relates to the prior year’s activities (2014-15).
* Total additional appropriation of $13.2 million represents supplementation of foreign exchange movement in the following forward Budget years: 2016-17 ($4.3m), 2017-18 ($4.2m) and 2018-19 ($4.7m) periods.

#### 3.2.2 Budgeted financial statements

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June



Table continued on the following page.

Prepared on Australian Accounting Standards basis.

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)



(a) From 2009-10, the Government replaced *Appropriation Act No*. *1* and *Bill No. 3* revenue appropriations for the heritage and cultural depreciation expenses of Designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through *Appropriation Act No. 2* and *Bill No. 4* equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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



Table continued on the following page.

Prepared on Australian Accounting Standards basis.

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



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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015-16)



\* This disclosure is not required if an entity does not have non-controlling interests.

Prepared on Australian Accounting Standards basis.

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



Table continued on the following page.

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)



1. Includes Appropriation Bills (No. 2 and No. 4) and prior Appropriation Bills (No. 2 and No. 4) and special capital appropriations.
2. Includes the following sources of funding:
   * current and prior Appropriation Bills (No. 3 and No. 5) (excluding amounts from the Departmental Capital Budget)
   * donations and contributions
   * gifts
   * internally developed assets
   * s74 Retained Revenue Receipts
   * proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (2015-16 Budget year)

#### 

Prepared on Australian Accounting Standards basis.

#### Notes to the financial statements

The financial statements have been prepared in accordance with:

* Finance Minister’s Orders;
* Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Board; and
* Consensus Views of the Urgent Issues Group.

Assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.

Revenues and expenses are recognised in the Income Statement when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

The Analysis of Budgeted Financial Statements provides an overview of the key elements of Tourism Australia’s financial statements, including variations in major aggregates from actual of 2014-15 to budget estimate of 2015-16.

# Portfolio glossary

|  |  |
| --- | --- |
| Term | Meaning |
| Accrual accounting | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid. |
| Accumulated depreciation | The aggregate depreciation recorded for a particular depreciating asset. |
| Additional Estimates | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts. |
| Administered | Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs. |
| Annual appropriation | Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations. |
| Appropriation | An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose. |
| Capital expenditure | Expenditure by an agency on capital projects, for example purchasing a building. |
| Consolidated Revenue Fund | Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). |
| Departmental | Revenue, expenses, assets and liabilities that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred. |
| Depreciation | Apportionment of an asset’s capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time. |
| Effectiveness indicators | Measure the joint or independent contribution of programmes to the achievement of their specified outcome. |
| Efficiency indicators | Measure the adequacy of an agency’s management of its programmes. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one programme 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 programmes. |
| Programme | 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 programme; 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 | Special Accounts allow money in the Consolidated Revenue Fund 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 78 of the *Public Governance, Performance and Accountability (PGPA)* *Act 2013*) or through an Act of Parliament (section 80 of the *PGPA Act 2013*). |
| 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. |