

Office of the Official Secretary to the Governor-General

Agency resources and planned performance

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL

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OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL

Section 1: Agency overview and resources

The planned outcome of the Office of the Official Secretary to the Governor-General is:

The performance of the Governor-General's role is facilitated through the organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.

1.1 STRATEGIC DIRECTION

The Office of Governor-General was established by the Constitution of the Commonwealth of Australia. Under the Constitution, the executive power of the Commonwealth is exercisable by the Governor-General as Her Majesty The Queen's representative in Australia, and extends to the execution and maintenance of the Constitution and the laws of the Commonwealth.

The statutory office of the Official Secretary to the Governor-General was established in December 1984 by amendment to the *Governor-General Act 1974*. The Official Secretary and staff constitute the Office of the Official Secretary to the Governor-General (the Office). Prior to that amendment, the Governor-General's Office was administered as part of the Department of the Prime Minister and Cabinet.

The Office delivers its planned Outcome through one program:

Program 1: Support for the Governor-General and Official Activities.

The Office's role is to support the Governor-General to enable her to perform her official duties, including support in connection with official functions, the management and maintenance of Government House in Canberra and Admiralty House in Sydney, and the effective administration of the Australian Honours and Awards system. A significant focus during the forward estimates period will be the continuation of the ten-year capital property program.

1.2 AGENCY RESOURCE STATEMENT

This section provides details of the estimated resources available to the Office on an accrual basis using Australian Equivalents of International Financial reporting Standards (AEIFRS). The methodology is consistent with the agency financial statements in Section 3 and agency annual reports.

Resources identified in this section include amounts proposed in Appropriation Bill No. 1 (ordinary net operating costs), Appropriation Bill No. 2 (administered expenses and non-operating costs or 'capital costs') and legislation containing special appropriations. It also includes estimates of other resources, including revenue from the sale of goods and services, net profit from the sale of assets, and resources provided to the Office free of charge.

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

Table 1.1: Office of the Official Secretary to the Governor-General resource statement — Budget estimates for 2009–10 as at Budget May 2009

	Estimate of prior year amounts available in 2009–10 \$'000	Proposed at Budget = 2009–10 \$'000	Total Estimate 2009–10 \$'000	Actual Available Appropriation 2008–09 \$'000
Ordinary Annual Services¹				
Departmental				
Prior year departmental appropriation	-	-	-	
Departmental appropriation ³	5,643	11,668	17,311	11,659
Total	5,643	11,668	17,311	11,659
Administered expenses				
Outcome 1	-	1,183	1,183	1,263
Payments to CAC Act bodies	-	-	-	-
Total	-	1,183	1,183	1,263
Total ordinary annual services	A 5,643	12,851	18,494	12,922
Other services²				
Administered expenses				
Specific payments to states, ACT, NT and local government				
Outcome 1	-	-	-	-
Total	-	-	-	-
New administered expenses				
Outcome 1	-	-	-	-
Total	-	-	-	-
Departmental non-operating				
Equity injections ²	1,394	3,852	5,246	1,946
Previous years' outputs	-	-	-	-
Total	1,394	3,852	5,246	1,946
Administered non-operating				
Administered assets and liabilities	-	-	-	-
Payments to CAC Act bodies – non-operating	-	-	-	-
Total	-	-	-	-
Total other services²	B 1,394	3,852	5,246	1,946
Total available annual appropriations	7,037	16,703	23,740	14,868
Special appropriations				
Special appropriations limited by criteria/entitlement				
<i>s. 3 - Salary of the Governor- General Special Appropriation Act 2006</i>	-	394	394	389
Total special appropriations	C -	394	394	389
Total appropriations excluding special accounts	7,037	17,097	24,134	15,257

Continued on next page.

Table 1.1: Office of the Official Secretary to the Governor-General resource statement — Budget estimates for 2009–10 as at Budget May 2009 (continued)

	Estimate of prior year amounts available in 2009–10 \$'000	+ Proposed at Budget = 2009–10 \$'000	=	Total Estimate 2009–10 \$'000	Actual Available Appropriation 2008–09 \$'000
Special accounts					
Opening balance	-	-		-	-
Appropriation receipts	-	-		-	-
Appropriation receipts – other agencies	-	-		-	-
Non-appropriation receipts to special accounts	-	-		-	-
Total special account	D	-		-	-
Total resourcing	7,037	17,097		24,134	15,257
A+B+C+D					
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-		-	-
Total net resourcing for agency	7,037	17,097		24,134	15,257

1 Appropriation Bill (No. 1) 2009–10.

2 Appropriation Bill (No. 2) 2009–10.

3 Estimated adjusted balance carried from previous year for Annual Appropriations.

Note: All figures are GST exclusive.

Third party payments from and on behalf of other agencies

The Office has no third party drawdown arrangements.

1.3 BUDGET MEASURES

Budget measures relating to the Office of the Official Secretary to the Governor-General are detailed in Budget Paper No. 2 and are summarised below. The sole budget measure for the Office is a saving of \$90,000 in 2009–10 and each of the forward years. The saving is in administered funding provided to the Office for the purchase and keeping of medals and insignia awarded under the Australian Honours and Awards system. The savings will be achieved through careful management and stock control and ongoing analysis of award trends. This proposal aligns with the government's requirement to identify savings which can be redirected to priority areas.

Table 1.2: Agency 2009–10 Budget measures

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Expense measures					
Prime Minister and Cabinet Portfolio – further efficiencies	1				
Administered expenses	-	-	-	-	-
Departmental expenses	-	(90)	(90)	(90)	(90)
Total	-	(90)	(90)	(90)	(90)
Total expense measures					
Administered	-	-	-	-	-
Departmental	-	(90)	(90)	(90)	(90)
Total	-	(90)	(90)	(90)	(90)

1 The full measure description and package details appear in Budget Paper 2 under the Prime Minister and Cabinet portfolio.
Prepared on a Government Financial Statistics (fiscal) basis.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009–10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. Figure 1 outlines the transition from the 2008–09 Budget year (as at Additional Estimates) which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009–10 Budget. The figure also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

Figure 1: Transition table

2008–09 Budget year	2009–10 Budget year
Outcome 1	Outcome 1
Output Group 1.1: Support of the Governor-General	Program 1: Support for the Governor-General and Official Activities
Administered items:	Administered items:
<i>Administered item A – Depreciation of administered assets</i> P1	<i>Administered item A – Depreciation of administered assets</i> OG 1.1
<i>Special appropriation A – Salary of the Governor-General</i> P1	<i>Administered item B – Australian Honours and Awards</i> OG 1.2
Departmental outputs:	<i>Special appropriation A – Salary of the Governor-General</i> OG 1.1
<i>Program management</i> P1	Program support: Departmental OG 1.1
	<i>Program support: Departmental</i> OG 1.2
Output Group 1.2: Administration of the Australian Honours and Awards system	
Administered items:	
<i>Administered item B – Australian Honours and Awards</i> P1	
Departmental outputs:	
<i>Program management</i> P1	

1.5 PROGRAMS FOR WHICH TREASURY IS APPROPRIATED UNDER THE NEW FEDERAL FINANCIAL RELATIONS (FFR) FRAMEWORK

The Council of Australian Governments (COAG) has agreed to a new framework for Federal Financial Relations that is being implemented in a staged manner from 1 January 2009. Under these arrangements, specific purpose payments (SPPs) will now be made through combined monthly payments from the Commonwealth Treasury to and through state and territory treasuries.

No agencies in the Prime Minister and Cabinet portfolio are affected by these changes.

Further information on the Federal Financial Relations arrangements can be found in the Portfolio Budget Statements of the Treasury and in Budget Paper No. 3, Australia's Federal Relations 2009-10.

Section 2: Outcome and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs, which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Office of the Official Secretary to the Governor-General in achieving government outcomes.

2.1 OUTCOME PERFORMANCE INFORMATION

Outcome 1: The performance of the Governor-General's role is facilitated through the organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.

2.1.1 Outcome 1 strategy

The Office will focus on continually improving its support for the Governor-General and the administration of the Australian Honours and Awards system during 2009-10 and the forward estimates period. In particular the Office will:

- provide a high standard of policy advice and service delivery to the Governor-General and stakeholders
- deliver effective governance and management arrangements in support of the official duties of the Governor-General
- ensure effective stewardship of the properties in accordance with heritage requirements and approved capital works and maintenance programs
- better inform Australians about the role of the Governor-General
- provide effective administration of the Australian Honours and Awards system.

2.1.2 Budgeted expenses and resources

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

Table 2.1: Budgeted expenses and resources for Outcome 1

	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 1: Support for the Governor-General and Official Activities		
Administered expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	1,263	1,183
Other Services (Appropriation Bill No. 2)	-	-
Special appropriations	389	394
Special accounts	-	-
Departmental expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	11,659	11,668
Revenues from independent sources (section 31)	57	32
Special appropriations	-	-
Special accounts	-	-
Expenses not requiring appropriation in the Budget year	42	45
Total for Program 1.1	13,410	13,322
Outcome 1 totals by appropriation type		
Administered expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	1,263	1,183
Other Services (Appropriation Bill No. 2)	-	-
Special appropriations	389	394
Special accounts	-	-
Departmental expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	11,659	11,668
Revenues from independent sources (section 31)	57	32
Special appropriations	-	-
Special accounts	-	-
Expenses not requiring appropriation in the Budget year	42	45
Total expenses for Outcome 1	13,410	13,322
	2008–09	2009–10
Average staffing level (number)	96	92

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

2.1.3 Contributions to Outcome 1

Program 1: Support for the Governor-General and Official Functions

Program objective

The program comprises two components:

- Support of the Governor-General
- Administration of the Australian Honours and Awards system.

The objective of this program is to:

- provide a high level of policy advice and administrative support to the Governor-General in support of her official duties
- manage and maintain the Governor-General's official residences in Canberra and Sydney, including capital improvements, building and grounds maintenance and caretaking
- administer, on behalf of the Governor-General as Chancellor of the Order of Australia, Australia's national honours system, including all civilian honours and awards for meritorious action by members of the Australian Defence Force
- undertake research and prepare recommendations for consideration by the Council for the Order of Australia
- provide secretarial support to honours advisory bodies
- undertake the procurement of Australian honours medals/insignia, warrants and investiture items

which meet the expectations and requirements of the Governor-General in carrying out her role.

Program expenses					
There are no significant changes in the level of activity or funding required for this program in 2009–10 or the forward years.					
	2008–09 Revised budget	2009–10 Budget	2010–011 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
(\$'000)					
Annual administered expenses:					
Administered item	1,263	1,183	1,192	1,226	1,226
Administered item (incl. SPPs)	-	-	-	-	-
Special appropriations:					
Commonwealth of Australia Constitution s. 3 – Salary of the Governor-General	389	398	398	387	415
Special account expenses:					
Special account name	-	-	-	-	-
Program support – Departmental expenses	11,716	11,700	11,696	11,578	11,706
Expenses not requiring appropriation in the Budget year	42	45	45	50	50
Total program expenses	13,410	13,326	13,331	13,241	13,397

Program deliverables
The deliverables for the primary components of this program are:
Support of the Governor-General
<ul style="list-style-type: none"> • Policy and executive support—includes providing policy advice to the Governor-General, planning, implementing and managing Their Excellencies' forward program of engagements, and liaising with representatives of governments, and related authorities, and community groups • Personal support—includes providing support for Their Excellencies and hospitality services for official functions • Administrative services—includes providing governance advice and administrative services to the Office and managing the Governor-General's official residences, including maintenance of property and equipment and grounds maintenance
Administration of the Australian Honours and Awards system
<ul style="list-style-type: none"> • Includes the management of the honours and awards system, providing secretariat support for the Council for the Order of Australia and the Australian Bravery Decorations Council, undertaking research of nominations for awards and preparing recommendations for consideration by the Council for the Order of Australia and contributing to the Australian Government's promotional campaigns to increase awareness of the Australian honours system.

Program key performance indicators

The key performance indicators (KPIs) for this program are primarily a qualitative measure of the effectiveness of the program in achieving the objective of the Outcome. The KPIs used focus on the level of satisfaction of the recipients of the services provided and key stakeholders under this program.

The key performance indicators are:

- The Governor-General is satisfied with the level of policy advice and administrative support provided to enable her to carry out her official duties
- The Governor-General is satisfied with the management of the households
- The properties are managed in accordance with the requirements of the *Environment Protection and Biodiversity Conservation Act 1999*, Government policies relating to heritage properties and with standards and requirements of the Official Establishments Trust and the National Capital Authority
- The Awards and Bravery councils are satisfied with the quality of research and administrative support provided
- The medals and/insignia meet design specifications
- 90% of nominations for Order of Australia awards are researched and presented to the Council for the Order Of Australia Council within 18 months
- 95% of nominations for awards are researched and presented to the Australian Bravery and Decorations Council within 6 months
- 95% of nominations for long service and occupational awards are processed within 2 months.

Program components					
There are two primary components under this program, as follows:					
<ul style="list-style-type: none"> • Support of the Governor General • Administration of the Australian Honours and Awards system 					
Program expenses for each of these components are set out in the tables below.					
	2008–09 Revised budget	2009–10 Budget	2010–011 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
(\$'000)					
Support of the Governor-General					
Annual departmental expenses:					
Departmental item	-	-	-	-	-
Annual administered expenses:					
Administered item	397	417	437	453	453
Administered item (incl. SPPs)					
Special appropriations:					
Commonwealth of Australia Constitution s. 3 – Governor-General's salary	389	398	398	387	415
Special account expenses	-	-	-	-	-
Program support – Departmental expenses	6,444	6,435	6,433	6,368	6,438
Expenses not requiring appropriation in the Budget year	23	25	25	28	28
Total program expenses	7,253	7,275	7,293	7,236	7,334
	2008–09 Revised budget	2009–10 Budget	2010–011 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
(\$'000)					
Administration of the Australian Honours and Awards system					
Annual departmental expenses:					
Departmental item	-	-	-	-	-
Annual administered expenses:					
Administered item	866	766	755	773	773
Administered item (incl. SPPs)					
Special appropriations	-	-	-	-	-
Special account expenses	-	-	-	-	-
Program support – Departmental expenses	5,272	5,265	5,263	5,210	5,268
Expenses not requiring appropriation in the Budget year	19	20	20	22	22
Total program expenses	6,157	6,051	6,038	6,005	6,063

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period are subject to review by the Minister for Finance and Deregulation, and may be re-appropriated to a future period, in accordance with provisions in legislation. No approval for movement of administered funds has been given since the 2008-09 Additional Estimates.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Office.

The Office has access to two special accounts. No activity is anticipated in relation to these accounts in 2009–10 and the forward years.

Table 3.1.2: Estimates of special account cash flows and balances

	Outcome	Opening balance 2009–10 2008–09 \$'000	Receipts 2009–10 2008–09 \$'000	Payments 2009–10 2008–09 \$'000	Adjustments 2009–10 2008–09 \$'000	Closing balance 2009–10 2008–09 \$'000
Other Trust Moneys Account (Special Public Money) (A)	1	-	-	-	-	-
Services for Other Government and Non-Agency Bodies Account (D)	1	-	-	-	-	-
Total special accounts 2009–10 Budget estimate		-	-	-	-	-
Total special accounts 2008–09 estimated actual		-	-	-	-	-

(A) = Administered

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

The Office has no Indigenous-specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no significant differences between the resources statement contained in Section 1 of this document and the financial statements set out in this section.

3.2.2 Analysis of budgeted financial statements

Departmental

Comprehensive income statement

The comprehensive income statement sets out the anticipated operating results for the ordinary annual services provided by the Office, which are funded by departmental appropriations and other revenue, and the financial effect of the transfer to the administered account of the value of assets developed under the 10-year capital property program.

The Office is anticipating a balanced budget for its ordinary operations before allowing for the transfer of assets to the administered account. Total revenue and expenses on ordinary operations are estimated at \$11.7 million.

The 10-year capital property program is funded initially from departmental resources and on completion of individual projects, the value of the assets are expensed in the departmental account and transferred to the administered account for capitalisation. The value of assets transferred to the administered account is funded by way of a capital injection for the departmental account.

The anticipated loss in 2009-10 and the forward years is due to the expense in the operating account of the value of assets proposed to be transferred to the administered account. The value of assets proposed to be transferred to the administered account in 2009-10 is \$3.1 million.

Budgeted departmental balance sheet

The movement in the Office's net asset position is principally as a result of the procurement of replacement infrastructure, plant and equipment assets owned by the Office. The value of buildings in the balance sheet represents the value of work in progress of assets being developed under the ten-year capital property program.

The Office's primary liability is accrued employee entitlements.

Administered

Budgeted income and expenses administered on behalf of government

The Office will receive administered appropriations of \$1.6 million in 2009–10 for the Governor-General’s salary, support of the Australian Honours and Awards system and for administered depreciation.

The Office also will recognise as ‘other gains’ the transfer of assets from departmental of \$3.1 million.

Budgeted assets and liabilities administered on behalf of the government

The value of land and buildings are expected to increase in 2009–10 and the forward years due to the transfer of completed projects from the departmental account developed under the ten-year capital property program.

The increase in receivables under financial assets represents the value of undrawn administered appropriations made to cover depreciation charges on administered assets.

Schedule of administered capital budget

The office does not receive any administered capital appropriation; therefore, Table 3.2.10 has not been included.

3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
EXPENSES					
Employee benefits	7,605	7,621	7,651	7,573	8,227
Supplier	3,667	3,443	3,375	3,353	2,866
Grants	-	-	-	-	-
Depreciation and amortisation	234	426	461	446	400
Write-down and impairment of assets	-	-	-	-	-
Losses from asset sales	-	-	-	-	-
Transfer of assets to Administered	2,242	3,058	2,399	211	800
Finance costs	-	-	-	-	-
Other	252	255	254	256	263
Total expenses	14,000	14,803	14,140	11,839	12,556
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	22	22	22	22	22
Fees and fines	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenue	22	22	22	22	22
Gains					
Sale of assets	35	10	10	10	10
Other gains	42	45	45	50	50
Total gains	77	55	55	60	60
Total own-source income	99	77	77	82	82
Net cost of (contribution by) services	13,901	14,726	14,063	11,757	12,474
Appropriation revenue	11,659	11,668	11,664	11,546	11,674
Surplus / (deficit)	(2,242)	(3,058)	(2,399)	(211)	(800)
Surplus / (deficit) attributable to the Australian Government	(2,242)	(3,058)	(2,399)	(211)	(800)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS					
Financial assets					
Cash and equivalents	443	443	443	443	443
Trade and other receivables	6,047	6,782	7,980	8,836	8,033
Investments accounted for under the equity method	-	-	-	-	-
Investments	-	-	-	-	-
Other investments	-	-	-	-	-
Tax assets	35	35	35	35	35
Other	-	-	-	-	-
Total financial assets	6,525	7,260	8,458	9,314	8,511
Non-financial assets					
Land and buildings	150	100	100	100	100
Infrastructure, plant and equipment	750	699	849	1,005	705
Investment properties	-	-	-	-	-
Inventories	15	15	10	13	16
Intangibles	100	200	200	220	250
Biological assets	-	-	-	-	-
Other	5	5	5	5	5
Total non-financial assets	1,020	1,019	1,164	1,343	1,076
Total assets	7,545	8,279	9,622	10,657	9,587
LIABILITIES					
Interest-bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Other	-	-	-	-	-
Total interest-bearing liabilities	-	-	-	-	-
Provisions					
Employees	1,250	1,395	1,400	1,450	1,620
Other	-	-	-	-	-
Total provisions	1,250	1,395	1,400	1,450	1,620
Payables					
Suppliers	368	163	663	789	349
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	-	-	-	-
Total payables	368	163	663	789	349
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	1,618	1,558	2,063	2,239	1,969
Net assets	5,927	6,721	7,559	8,418	7,618

Continued on next page.

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

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
EQUITY¹					
Parent entity interest					
Contributed equity	13,263	17,115	20,352	21,422	21,422
Reserves	76	76	76	76	76
Retained surpluses or accumulated deficits	(7,412)	(10,470)	(12,869)	(13,080)	(13,880)
Total parent entity interest	5,927	6,721	7,559	8,418	7,618
Minority interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total minority interest	-	-	-	-	-
Total equity	5,927	6,721	7,559	8,418	7,618
Current assets	6,545	7,280	8,473	9,329	8,532
Non-current assets	1,000	999	1,149	1,328	1,055
Current liabilities	1,462	1,394	1,893	2,062	1,785
Non-current liabilities	156	164	170	177	184

1 'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	22	22	22	22	22
Appropriations	11,659	11,668	11,664	11,546	11,674
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	11,681	11,690	11,686	11,568	11,696
Cash used					
Employees	7,713	7,725	7,724	7,606	7,869
Suppliers	3,652	3,600	3,532	3,460	3,267
Grants	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
Income taxes paid	-	-	-	-	-
Total cash used	11,365	11,325	11,256	11,066	11,136
Net cash from or (used by) operating activities	316	365	430	502	560
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of infrastructure, property, plant and equipment	85	60	60	60	60
Proceeds from sales of financial instruments	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	85	60	60	60	60
Cash used					
Purchase of infrastructure, property, plant and equipment	2,643	3,483	2,889	773	1,420
Purchase of financial instruments	-	-	-	-	-
Investments	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	2,643	3,483	2,889	773	1,420
Net cash from or (used by) investing activities	(2,558)	(3,423)	(2,829)	(713)	(1,360)

Continued on next page.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June) (continued)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	2,242	3,058	2,399	211	800
Proceeds from issuing financial instruments	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	2,242	3,058	2,399	211	800
Cash used					
Repayments of debt	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	2,242	3,058	2,399	211	800
Net increase or (decrease) in cash held					
Cash at the beginning of the reporting period	443	443	443	443	443
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
Cash at the end of the reporting period	443	443	443	443	443

Note: Equity injections drawn down for the purchase of assets will not agree to the budgeted equity injections as a result of timing of asset purchases.

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009–10)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2009					
Balance carried forward from previous period	(7,412)	76	-	13,263	5,927
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	(7,412)	76	-	13,263	5,927
Income and expense					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
Sub-total income and expense	-	-	-	-	-
Surplus / (deficit) for the period	(3,058)	-	-	-	(3,058)
Total income and expenses recognised directly in equity	(10,470)	76	-	13,263	2,869
Transactions with owners					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	3,852	3,852
Other:					
Restructuring	-	-	-	-	-
Sub-total transactions with owners	-	-	-	3,852	3,852
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2010	(10,470)	76	-	17,115	6,721

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections ¹	1,946	3,852	3,237	1,070	-
Total loans	-	-	-	-	-
Special appropriations	-	-	-	-	-
Total capital appropriations	1,946	3,852	3,237	1,070	-
Represented by					
Purchase of non-financial assets	1,946	3,852	3,237	1,070	-
Other	-	-	-	-	-
Total represented by	1,946	3,852	3,237	1,070	-
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	2,242	3,058	2,399	211	800
Funded internally from departmental resources ²	401	425	490	562	620
Assets received due to restructure (FMA s. 32)	-	-	-	-	-
TOTAL	2,643	3,483	2,889	773	1,420

1 Includes the acquisition of assets funded by prior years capital appropriations.

2 Includes the following sources of funding: annual and prior year appropriations.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements—departmental

	Buildings \$'000	Other infrastructure, plant & equipment \$'000	Intangibles \$'000	Other non- financial assets \$'000	Total \$'000
As at 1 July 2009					
Gross book value	150	1,208	307	20	1,685
Accumulated depreciation/ amortisation	-	(458)	(207)	-	(665)
Opening net book balance	150	750	100	20	1,020
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
by purchase or internally developed	3,008	325	150	-	3,483
by finance lease	-	-	-	-	-
by contribution/donation	-	-	-	-	-
by gift	-	-	-	-	-
Acquisition of entities or operations (including restructuring)					
	-	-	-	-	-
Subtotal	3,008	325	150	-	3,483
Other movements					
Assets held for sale	-	-	-	-	-
Depreciation/amortisation expense	-	(376)	(50)	-	(426)
Disposals ¹	-	-	-	-	-
Other	(3,058)	-	-	-	(3,058)
Subtotal	(3,058)	(376)	(50)	-	(3,484)
As at 30 June 2010					
Gross book value	100	1,533	457	20	2,110
Accumulated depreciation/ amortisation	-	(834)	(257)	-	(1,091)
Closing net book balance	100	699	200	20	1,019

1 Proceeds may be returned to the OPA.
Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation					
Total taxation	-	-	-	-	-
Non-taxation					
Goods and services	13	13	13	13	13
Fees and fines	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other sources of non-taxation revenues	-	-	-	-	-
Rents	-	-	-	-	-
Royalties	-	-	-	-	-
Total non-taxation	13	13	13	13	13
Total revenues administered on behalf of government	13	13	13	13	13
Gains					
Foreign exchange	-	-	-	-	-
Sale of assets	-	-	-	-	-
Other gains – Transfer of assets from departmental	2,242	3,058	2,399	211	800
Reversal of previous asset write-downs	-	-	-	-	-
Total gains administered on behalf of government	2,242	3,058	2,399	211	800
Total income administered on behalf of government	2,255	3,071	2,412	224	813
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	389	398	398	387	415
Employees	-	-	-	-	-
Suppliers	866	766	755	773	773
Depreciation and amortisation	397	417	437	453	453
Write-down and impairment of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Other	-	-	-	-	-
Asset sales	-	-	-	-	-
Foreign exchange	-	-	-	-	-
Total expenses administered on behalf of government	1,652	1,581	1,590	1,613	1,641

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	1	1	1	1	1
Receivables	398	200	300	300	300
Taxation receivables	-	-	-	-	-
Investments	-	-	-	-	-
Other financial assets	-	-	-	-	-
Total financial assets	399	201	301	301	301
Non-financial assets					
Land and buildings	85,880	88,638	90,737	90,648	91,148
Infrastructure, plant and equipment	1,681	1,564	1,427	1,274	1,121
Investment properties	-	-	-	-	-
Inventories	1,000	1,000	1,000	1,000	1,000
Intangibles	-	-	-	-	-
Biological assets	-	-	-	-	-
Other	-	-	-	-	-
Total non-financial assets	88,561	91,202	93,164	92,922	93,269
Total assets administered on behalf of government	88,960	91,403	93,465	93,223	93,570
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	29	25	25	25	25
Subsidies	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Grants	-	-	-	-	-
Other payables	-	-	-	-	-
Total payables	29	25	25	25	25
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of government	29	25	25	25	25

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	13	13	13	13	13
Other	-	-	-	-	-
Total cash received	13	13	13	13	13
Cash used					
Borrowing costs	-	-	-	-	-
Personal benefits	389	398	398	387	415
Suppliers	866	766	755	773	773
Net GST paid	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	1,255	1,164	1,153	1,160	1,188
Net cash from or (used by) operating activities	(1,242)	(1,151)	(1,140)	(1,147)	(1,175)
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account	1,255	1,164	1,153	1,160	1,188
Other	-	-	-	-	-
Total cash received	1,255	1,164	1,153	1,160	1,188
Cash used					
Net repayment of borrowings	-	-	-	-	-
Cash to Official Public Account	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	1,255	1,164	1,153	1,160	1,188
Net increase or (decrease) in cash held	(1,242)	(1,151)	(1,140)	(1,147)	(1,175)
Cash at beginning of reporting period	1	1	1	1	1
Cash from Official Public Account for:					
– appropriations	866	766	755	773	773
– special accounts	389	398	398	387	415
Transfers from other entities (Finance – Whole of Government)	-	-	-	-	-
Cash to Official Public Account for:					
– appropriations	(13)	(13)	(13)	(13)	(13)
– special accounts	-	-	-	-	-
Transfers to other entities (Finance – Whole of Government)	-	-	-	-	-
Effect of exchange rate movements on cash at beginning of reporting period	-	-	-	-	-
Cash at end of reporting period	1	1	1	1	1

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Schedule of asset movements—administered

	Land & Buildings \$'000	Other infrastructure, plant & equipment \$'000	Other non- financial assets \$'000	Total \$'000
As at 1 July 2009				
Gross book value	86,866	1,972	1,000	89,838
Accumulated depreciation/amortisation	(986)	(291)	-	(1,277)
Opening net book balance	85,880	1,681	1,000	88,561
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
by purchase or internally developed	-	-	-	-
by finance lease	-	-	-	-
by contribution/donation	-	-	-	-
by gift	-	-	-	-
Acquisition of entities or operations (including restructuring)	-	-	-	-
Subtotal	-	-	-	-
Other movements				
Assets held for sale or in a disposal group held for sale	-	-	-	-
Depreciation/amortisation expense	(300)	(117)	-	(417)
Disposals ¹	-	-	-	-
Other	3,058	-	-	3,058
Subtotal	2,758	(117)	-	2,641
As at 30 June 2010				
Gross book value	89,924	1,972	1,000	92,896
Accumulated depreciation/ amortisation	(1,286)	(408)	-	(1,694)
Closing net book balance	88,638	1,564	1,000	91,202

1 Proceeds may be returned to the OPA
Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Resources received free of charge

The Australian National Audit Office is responsible for auditing the annual financial statements of the Office. This service is provided free of charge to the Office, however, for the sake of transparency, the value of the service is recorded by the Office as a gain and as a corresponding expense in its departmental accounts.

Capitalisation of assets developed under the ten-year capital property program

Under the Office's accounting policy, the buildings, property, furniture and fine arts of the Governor-General's official establishments and her primary official vehicle are classified as administered assets. Capital improvements made under a ten-year capital property program are funded initially from departmental resources, and on completion, are transferred to the administered account as administered assets. The approved accounting treatment that enables the capitalisation of these assets in the administered account requires that the value of assets transferred are recognised as an expense in the departmental accounts (see Table 3.2.1 – Comprehensive income statement) and as a revenue item in the administered accounts (see Table 3.2.7 – Schedule of budgeted income and expenses administered on behalf of government).