

# **Australian National Audit Office**

## **Agency resources and planned performance**



# AUSTRALIAN NATIONAL AUDIT OFFICE

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# AUSTRALIAN NATIONAL AUDIT OFFICE

## Section 1: Agency overview and resources

The planned outcomes of the Australian National Audit Office are:

To provide assurance on the fair presentation of financial statements of Australian Government entities by providing independent audit opinions and related reports for the information of Parliament and the Executive.

To improve the efficiency and effectiveness of the administration of Australian Government programs and entities by undertaking a program of independent performance audits and assurance reviews for the information of Parliament and the Executive.

### 1.1 STRATEGIC DIRECTION STATEMENT

The ANAO's vision is to be an international leader in the provision of independent public sector audit and related services.

In 2010–11, the emphasis will be on:

- increasing the performance audit program to previous levels, enhancing information technology and other specialist capabilities, and increasing technical support and quality assurance capability
- embedding the Indigenous audit program transferred from the Department of Finance and Deregulation (Office of Evaluation and Audit) into the performance audit program
- delivering a range of timely and relevant products on topics that provide opportunities for improvement in administration across the Australian Government Public Sector
- building our relationship with the Parliament, particularly the Joint Committee of Public Accounts and Audit (JCPAA), to promote our work and improve the understanding of our work and our contribution to improving public administration
- working with entities' audit committees to promote the implementation of our report recommendations
- pursuing initiatives to improve the efficient delivery of the audit program
- maintaining our involvement in national and international auditing bodies.

## *ANAO Budget Statements*

The ANAO's two planned outcomes will be met through the achievement and implementation of the ANAO's objectives and strategies in four key result areas:

- clients
- products and services
- people
- business performance.

## **1.2 AGENCY RESOURCE STATEMENT**

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

In order to achieve our outcomes, the ANAO recovers some of its costs from Commonwealth authorities and companies and their subsidiaries subject to the *Commonwealth Authorities and Companies Act 1997* based on a scale determined by the Auditor-General under section 14 of the *Auditor-General Act 1997*. These fees are calculated based on an output cost attribution model. Revenues from these audit fees are paid into the Official Public Account and are not available to the ANAO. The revenue and receipts are shown in Table 3.2.7 (Schedule of budgeted income and expenses administered on behalf of government) and Table 3.2.9 (Schedule of budgeted administered cash flows), respectively.

**Table 1.1: Australian National Audit Office resource statement—Budget estimates for 2010–11 as at Budget, May 2010**

	Estimate of prior + year amounts available in 2010–11 \$'000	Proposed at Budget = 2010–11 \$'000	Total estimate 2010–11 \$'000	Actual available appropriation 2009–10 \$'000
<b>Ordinary annual services<sup>1</sup></b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>2</sup>	8,916	-	8,916	8,426
Departmental appropriation <sup>3</sup>	-	73,561	73,561	71,278
s. 31 Relevant agency receipts <sup>4</sup>	-	3,324	3,324	1,694
<b>Total</b>	<b>8,916</b>	<b>76,885</b>	<b>85,801</b>	<b>81,398</b>
<b>Total ordinary annual services</b>	<b>A 8,916</b>	<b>76,885</b>	<b>85,801</b>	<b>81,398</b>
<b>Other services<sup>5</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	650	650	-
<b>Total</b>	<b>-</b>	<b>650</b>	<b>650</b>	<b>-</b>
<b>Total other services</b>	<b>B -</b>	<b>650</b>	<b>650</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>8,916</b>	<b>77,535</b>	<b>86,451</b>	<b>81,398</b>
<b>Special appropriations</b>				
<b>Special appropriations limited by criteria/entitlement</b>				
Auditor-General remuneration and expense – <i>Auditor-General Act 1997</i> , Schedule 1, sections 3 and 7	-	470	470	-
<b>Total special appropriations</b>	<b>C -</b>	<b>470</b>	<b>470</b>	<b>-</b>
<b>Total appropriations excluding special accounts</b>	<b>8,916</b>	<b>78,005</b>	<b>86,921</b>	<b>81,398</b>
<b>Special accounts</b>				
Opening balance <sup>6</sup>	-	-	-	-
<b>Total special accounts</b>	<b>D -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total resourcing</b>				
A+B+C+D	<b>8,916</b>	<b>78,005</b>	<b>86,921</b>	<b>81,398</b>
<b>Total net resourcing for agency</b>	<b>8,916</b>	<b>78,005</b>	<b>86,921</b>	<b>81,398</b>

1 Appropriation Bill (No. 1) 2010–11.

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

3 Includes an amount of \$0.915 million in 2010–11 for the departmental capital budget (refer to Table 3.2.5 for further details). For accounting purposes, this amount has been designated as 'contributions by owners'.

4 s. 31 relevant agency receipts—estimate.

5 Appropriation Bill (No. 2) 2010–11.

6 Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies (OTM) and Services for Other Government and Non-agency Bodies (SOG) accounts). For further information on special accounts see Table 3.1.2.

Note: All figures are GST exclusive.

### 1.3 BUDGET MEASURES

Budget measures relating to the Australian National Audit Office are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Australian National Audit Office 2010–11 Budget measures**

	Program	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000	2013–14 \$'000
<b>Revenue measures</b>						
NBN Co Limited – financial statements audit						
	1.1					
Administered revenue		100	500	1,003	1,710	2,017
Departmental revenue		-	-	-	-	-
<b>Total</b>		<b>100</b>	<b>500</b>	<b>1,003</b>	<b>1,710</b>	<b>2,017</b>
<b>Total revenue measures</b>						
Administered	1.1	100	500	1,003	1,710	2,017
Departmental		-	-	-	-	-
<b>Total</b>		<b>100</b>	<b>500</b>	<b>1,003</b>	<b>1,710</b>	<b>2,017</b>
<b>Expense measures</b>						
NBN Co Limited – financial statements audit						
	1.1					
Administered expenses		-	-	-	-	-
Departmental expenses		100	500	1,003	1,710	2,017
<b>Total</b>		<b>100</b>	<b>500</b>	<b>1,003</b>	<b>1,710</b>	<b>2,017</b>
<b>Total expense measures</b>						
Administered	1.1	-	-	-	-	-
Departmental		100	500	1,003	1,710	2,017
<b>Total</b>		<b>100</b>	<b>500</b>	<b>1,003</b>	<b>1,710</b>	<b>2,017</b>

Prepared on a Government Financial Statistics (fiscal) basis.

## SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

### 2.1 OUTCOME 1 PERFORMANCE INFORMATION

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

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

The ANAO has management information systems in place to allow it to fully cost all audit and support activities. All audit-related costs are directly costed to the relevant audit or related services. All other costs not directly attributable to audits or related services are allocated on the basis of the estimated hours to be expended on each program.

**Outcome 1: To provide assurance on the fair presentation of financial statements of Australian Government entities by providing independent audit opinions and related reports for the information of Parliament and the Executive.**

#### Outcome 1 strategy

Through its audit services, the ANAO contributes to providing assurance to individual agencies, the Executive and the Parliament about the financial reporting and administration of public sector entities.

The main activity that contributes to this outcome is the auditing of annual financial statements of Australian Government entities. The ANAO also audits the annual Consolidated Financial Statements (CFS) of the Australian Government. The CFS present the consolidated whole-of-government financial result inclusive of all Australian Government controlled entities, including entities outside the general government sector.

These audits are designed to give assurance to stakeholders that an entity's financial statements fairly represented its financial operations and financial position at year end. The ANAO makes recommendations for improvements in financial administration.

#### Outcome 1 expense and resource statement

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

**Table 2.1: Budgeted expenses and resources for Outcome 1**

<b>Outcome 1: Assurance Audit Services</b>	2009–10 Estimated actual expenses \$'000	2010–11 Estimated expenses \$'000
<b>Program 1.1: Assurance Audit Services</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	42,201	42,042
Revenue from independent sources (s. 31)	1,413	2,417
Special appropriations	225	235
Expenses not requiring appropriation in the Budget year	-	1,100
<b>Total for Program 1.1</b>	<b>43,839</b>	<b>45,794</b>
<b>Outcome 1 Totals by appropriation type</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	42,201	42,042
Revenue from independent sources (s. 31)	1,413	2,417
Special appropriations	225	235
Expenses not requiring appropriation in the Budget year	-	1,100
<b>Total expenses for Outcome 1</b>	<b>43,839</b>	<b>45,794</b>
	2009–10	2010–11
<b>Average staffing level (number)</b>	<b>187</b>	<b>179</b>

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

## Contributions to Outcome 1

### Program 1.1: Assurance Audit Services

#### Program 1.1 objective

To provide assurance on the fair presentation of financial statements of Australian Government entities by providing independent audit opinions and related reports for the information of Parliament and the Executive.

#### Program 1.1 expenses

Significant expenditure includes employee expenses (50%) and contractors (28%). Additional funding provided in 2009–10 and the forward estimates will be applied to enhancing IT audit and specialist audit capabilities.

Program expense (\$'000)	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Special appropriations					
<i>Auditor-General Act 1997</i>	225	235	237	241	241
Annual departmental expenses:					
Employee expenses	22,015	23,242	24,424	25,286	25,286
Suppliers	21,599	22,317	22,841	23,207	23,827
<b>Total program expense</b>	<b>43,839</b>	<b>45,794</b>	<b>47,502</b>	<b>48,734</b>	<b>49,354</b>

#### Program 1.1 components

- Assistance to Parliament
- Financial statement audit reports
- Other assurance reports
- National and international representation
- Special appropriation

Program components (\$'000)	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Annual departmental expense					
Assistance to Parliament	110	113	118	121	123
Financial statement audit reports	41,865	43,740	45,374	46,553	47,144
Other assurance reports	655	682	709	727	736
National and international representation	984	1,024	1,064	1,092	1,106
Special appropriations:					
<i>Auditor-General Act 1997</i>	225	235	237	241	245
<b>Total program expense</b>	<b>43,839</b>	<b>45,794</b>	<b>47,502</b>	<b>48,734</b>	<b>49,354</b>

**Program 1.1 deliverables**

The program deliverables are a measure of the independent audits of financial statements, accountability and processes.

	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Deliverables					
Number of financial statement audit opinions to be issued	250	250	250	250	250
Other regulatory assurance reports	59	59	59	59	59
Number of financial statement related report products to be produced	2	2	2	2	2

**Program 1.1 key performance indicators**

Audit opinions issued in respect of all Australian public sector entities:

- upon receipt of signed entity financial statements
- in accordance with ANAO Auditing standards.

Joint Committee on Public Accounts and Audit (JCPAA) and other committee satisfaction with the overall quality and usefulness of the interim and year-end Financial Statement Audit Reports.

## 2.2 OUTCOME 2 PERFORMANCE INFORMATION

**Outcome 2: To improve the efficiency and effectiveness of the administration of Australian Government programs and entities by undertaking a program of independent performance audits and assurance reviews for the information of Parliament and the Executive.**

### Outcome 2 strategy

Through the provision of audit services, the ANAO contributes to improvements in the efficiency and administrative effectiveness of the Australian Government public sector.

The major contribution to this outcome is the conduct of performance audit services. The ANAO's performance audit and audit-related activities include the review of all or part of an entity's operations to assess its efficiency and/or administrative effectiveness. The ANAO identifies areas where improvements can be made to aspects of public administration, and makes specific recommendations to help public sector agencies improve their program management. The ANAO also undertakes an assurance review of the Defence Materiel Organisation major projects report.

The ANAO also contributes to improvements in Commonwealth public administration by identifying and promoting better practice, which assists agencies to perform at their most efficient level and add value to their outputs and services. Adopting better practices can help transform and improve business process and potentially can lead to overall improvements in the administration of the entity as a whole.

### Outcome 2 expense and resource statement

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

**Table 2.2: Budgeted expenses and resources for Outcome 2**

<b>Outcome 2: Improvement in Public Administration</b>	2009–10 Estimated actual expenses \$'000	2010–11 Estimated expenses \$'000
<b>Program 2.1: Performance Audit Services</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	28,627	30,604
Revenue from independent sources (s. 31)	281	907
Special appropriations	225	235
Expenses not requiring appropriation in the Budget year	-	586
<b>Total for Program 2.1</b>	<b>29,133</b>	<b>32,332</b>
<b>Outcome 2 Totals by appropriation type</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	28,627	30,604
Revenue from independent sources (s. 31)	281	907
Special appropriations	225	235
Expenses not requiring appropriation in the Budget year	-	586
<b>Total expenses for Outcome 2</b>	<b>29,133</b>	<b>32,332</b>
	2009–10	2010–11
<b>Average staffing level (number)</b>	<b>159</b>	<b>178</b>

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

**Contributions to Outcome 2**

**Program 2.1: Performance Audit Services**

**Program 2.1 objective**

To improve the efficiency and effectiveness of the administration of Australian Government programs and entities by undertaking a program of independent performance audits and assurance reviews for the information of Parliament and the Executive.

**Program 2.1 expenses**

The majority of expenses (89%) are for employees.

Additional funding provided in 2009–10 and the forward estimates will be applied to increasing the performance audit program.

Program expense (\$'000)	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Special Appropriations:					
<i>Auditor-General Act 1997</i>	225	235	237	241	241
Annual departmental expenses:					
Employee expenses	14,721	16,406	17,181	17,774	17,842
Suppliers	14,187	15,691	14,997	14,990	14,923
<b>Total program expenses</b>	<b>29,133</b>	<b>32,332</b>	<b>32,415</b>	<b>33,005</b>	<b>33,006</b>

**Program 2.1 components**

- Performance audit services
- Better Practice Guides
- Other audit and related services
- Assistance to Parliament
- National and international representation

Program components (\$'000)	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Annual departmental expense					
Performance audit services	25,266	28,062	28,123	28,636	28,634
Better Practice Guides	1,445	1,601	1,609	1,638	1,638
Other audit and related services	1,156	1,281	1,287	1,311	1,310
Assistance to Parliament	607	673	676	688	688
National and international representations	434	480	483	491	491
Special appropriations:					
<i>Auditor-General Act 1997</i>	225	235	237	241	245
<b>Total program expense</b>	<b>29,133</b>	<b>32,332</b>	<b>32,415</b>	<b>33,005</b>	<b>33,006</b>

**Program 2.1 deliverables**

The program deliverables are a way of measuring the independent performance and assurance audit of Australian Public Sector entities.

Deliverables	2009–10 Revised budget	2010–11 Budget	2011–12 Forward year 1	2012–13 Forward year 2	2013–14 Forward year 3
Number of performance audits to be produced – including indigenous program <sup>1</sup>	47	56	56	56	56
Government advertising campaign review reports <sup>2</sup>	45	-	-	-	-
Number of Better Practice Guides to be produced	4	4	4	4	4
Review of DMO Major Projects Report	1	1	1	1	1
Other audit and related reports <sup>3</sup>	2	1	1	1	1

1 The higher number of performance audits in 2010–11 reflects both the restoration of the performance audit program to previous levels and integration of the performance audits undertaken by the former Office of Evaluation and Audit (Indigenous Programs) under its 2009–12 work program. Over the period of the forward estimates, this function will be fully integrated into the Performance Audit program, including through the ANAO's performance audits of mainstream programs where these deliver outcomes for Indigenous people.

2 The government has announced that it will introduce an Independent Communications Committee to review government advertising campaigns with effect from 31 March 2010.

3 'Other' includes the annual work program and a major peer review in 2009–10.

**Program 2.1 key performance indicators**

Delivery of a work program which is balanced in coverage and nature and which recognises the audit priorities of the Parliament:

- The value of the ANAO contribution is recognised by the Parliament.
- The value added by ANAO products and services is recognised by public sector entities.
- The JCPAA's general satisfaction with the overall quality, timeliness and coverage of ANAO products and services.

## Section 3: Explanatory tables and budgeted financial statements

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

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Movement of administered funds between years

The ANAO does not have any movement of administered funds between years in the 2010–11 Budget context.

#### 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* (FMA Act) or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the ANAO.

**Table 3.1.2: Estimates of special account flows and balances**

	Opening balance <b>2010–11</b> <i>2009–10</i>	Receipts <b>2010–11</b> <i>2009–10</i>	Payments <b>2010–11</b> <i>2009–10</i>	Adjustments <b>2010–11</b> <i>2009–10</i>	Closing balance <b>2010–11</b> <i>2009–10</i>
Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Monies (D)	-	-	-	-	-
<b>Total special accounts 2010–11 Budget estimate</b>	-	-	-	-	-
<i>Total special accounts 2009–10 estimated actual</i>	-	20	20	-	-

(D) = departmental

### 3.1.3 Australian Government Indigenous expenditure

**Table 3.1.3: Australian Government Indigenous expenditure**

	Appropriations				Other \$'000	Total \$'000	Program
	Bill	Bill	Special	Total			
	No. 1	No. 2	approp	approp			
	\$'000	\$'000	\$'000	\$'000			
<b>Australian National Audit Office</b>							
<b>Outcome 2</b>							
<b>Performance Audit Services</b>							
Departmental 2010–11	3,964	-	-	3,964	-	3,964	2.1
<i>Departmental 2009–10</i>	<i>2,839</i>	<i>-</i>	<i>-</i>	<i>2,839</i>	<i>-</i>	<i>2,839</i>	
Total departmental 2010–11	3,964	-	-	3,964	-	3,964	
<i>Total departmental 2009–10</i>	<i>2,839</i>	<i>-</i>	<i>-</i>	<i>2,839</i>	<i>-</i>	<i>2,839</i>	
<b>Total AGIE 2010–11</b>	<b>3,964</b>	<b>-</b>	<b>-</b>	<b>3,964</b>	<b>-</b>	<b>3,964</b>	
<i>Total AGIE 2009–10</i>	<i>2,839</i>	<i>-</i>	<i>-</i>	<i>2,839</i>	<i>-</i>	<i>2,839</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Differences in agency resourcing and financial statements**

The agency resource statement (Table 1.1) provides a consolidated view of all the resources available to the agency in 2010–11. This includes equity injections and appropriation receivable that is yet to be drawn down to cover payables and provisions on the balance sheet. The income statement (Table 3.2.1) shows only the operating appropriation provided in 2010–11.

### **3.2.2 Analysis of budgeted financial statements**

#### **Departmental**

##### **Income statement**

Total income in 2010–11 is estimated at \$76.3 million (2009–10: \$73.1 million). Revenue from government (appropriation funding) has increased from \$71.4 million to \$72.9 million. This reflects additional funding for:

- the performance audit program, IT and other specialist capabilities, technical support and QA capability – \$2.1 million
- Indigenous program – \$1.1 million
- National Broadband Network audit – \$0.4 million.

Offset by reductions in appropriation for:

- depreciation funding – \$1.7 million
- indexation – \$0.3 million.

Other revenue is expected to increase from \$1.7 million to \$3.3 million due to the signing of the new Indonesian Project and Papua New Guinea Twinning Project. Both projects are undertaken by the ANAO on behalf of AusAID to assist the national audit organisations in those countries.

Operating expenses for 2010–11 are estimated to total \$78.0 million (2009–10: \$73.1 million). Employee expenses will increase in 2010–11 to accommodate salary increases and additional staff required to undertake new work. Supplier expenses will increase due to additional audit work and support expenses required to be undertaken.

##### **Balance sheet**

The budgeted departmental balance sheet shows the ANAO's net asset position remaining stable.

At this point, no major financial transactions have been planned for 2010-11, and the total assets and liabilities values are expected to remain stable.

#### **Statement of cash flows**

The cash flow is consistent with, and representative of, the transactions reported in the income statement, adjusted for non-cash items and anticipated capital purchases.

The ANAO's working cash balance has been reduced from \$0.9 million to \$0.7 million in accordance with the ANAO's agreement with the Department of Finance and Deregulation.

#### **Capital budget statement**

The departmental capital budget statement shows the expected capital works program for the current and forward years. In 2009-10 the ANAO received funding to enhance our professional capability, including IT hardware and audit methodology software. Total capital expenditure in 2009-10 is estimated to be \$1.6 million. In addition, the ANAO forecasts spending a further \$3.4 million over the forward estimates.

#### **Administered**

##### **Schedule of budgeted income and expenses administered on behalf of government**

Estimated revenues from the provision of audit services to certain Australian Government agencies reflect the estimated recovery of auditing costs.

##### **Schedule of budgeted assets and liabilities administered on behalf of government**

The estimated administered assets and liabilities relate to ongoing audit activity. No non-financial administered assets are held.

##### **Schedule of budgeted administered cash flows**

Administered monies are transferred to the Official Public Account on an ongoing basis.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>EXPENSES</b>					
Employee benefits	36,736	39,648	41,605	43,060	43,128
Supplier expenses	34,767	36,792	36,826	36,993	37,546
Depreciation and amortisation	1,469	1,686	1,486	1,686	1,686
<b>Total expenses</b>	<b>72,972</b>	<b>78,126</b>	<b>79,917</b>	<b>81,739</b>	<b>82,360</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	854	1,100	1,100	1,100	1,100
Other	840	2,224	2,224	2,224	2,224
<b>Total revenue</b>	<b>1,694</b>	<b>3,324</b>	<b>3,324</b>	<b>3,324</b>	<b>3,324</b>
<b>Gains</b>					
Sale of assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>1,694</b>	<b>3,324</b>	<b>3,324</b>	<b>3,324</b>	<b>3,324</b>
<b>Net cost of (contribution by) services</b>	<b>71,278</b>	<b>74,802</b>	<b>76,593</b>	<b>78,415</b>	<b>79,036</b>
Revenue from government	71,278	73,116	75,107	76,729	77,350
<b>Surplus (Deficit)</b>	<b>-</b>	<b>(1,686)</b>	<b>(1,486)</b>	<b>(1,686)</b>	<b>(1,686)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>-</b>	<b>(1,686)</b>	<b>(1,486)</b>	<b>(1,686)</b>	<b>(1,686)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note: Reconciliation of operating result attributable to the agency**

	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000	2012–13 \$'000
<b>Operating result attributable to the Australian Government</b>	<b>-</b>	<b>(1,686)</b>	<b>(1,486)</b>	<b>(1,686)</b>	<b>(1,686)</b>
plus non-appropriated expenses depreciation and amortisation expenses	-	1,686	1,486	1,686	1,686
<b>Operating result attributable to the agency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	700	700	700	700	700
Trade and other receivables	9,425	9,849	9,859	9,739	9,175
Other	1,251	1,097	943	1,097	1,097
<b>Total financial assets</b>	<b>11,376</b>	<b>11,646</b>	<b>11,502</b>	<b>11,536</b>	<b>10,972</b>
<b>Non-financial assets</b>					
Land and buildings	6,986	6,201	5,417	4,632	3,847
Property, plant and equipment	915	981	1,264	1,446	1,625
Intangibles	1,092	1,690	1,786	1,671	1,713
<b>Total non-financial assets</b>	<b>8,993</b>	<b>8,872</b>	<b>8,467</b>	<b>7,749</b>	<b>7,185</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>20,369</b>	<b>20,518</b>	<b>19,969</b>	<b>19,285</b>	<b>18,157</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,860	1,955	1,916	1,916	1,916
<b>Total payables</b>	<b>1,860</b>	<b>1,955</b>	<b>1,916</b>	<b>1,916</b>	<b>1,916</b>
<b>Provisions</b>					
Employee provisions	10,753	11,166	11,166	11,444	11,444
Other	1,694	1,456	1,259	861	297
<b>Total provisions</b>	<b>12,447</b>	<b>12,622</b>	<b>12,425</b>	<b>12,305</b>	<b>11,741</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>14,307</b>	<b>14,577</b>	<b>14,341</b>	<b>14,221</b>	<b>13,657</b>
<b>Net assets</b>	<b>6,062</b>	<b>5,941</b>	<b>5,628</b>	<b>5,064</b>	<b>4,500</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	4,829	6,394	7,567	8,689	9,811
Reserves	144	144	144	144	144
Retained surplus or (accumulated deficit)	1,089	(597)	(2,083)	(3,769)	(5,455)
<b>Total parent entity interest</b>	<b>6,062</b>	<b>5,941</b>	<b>5,628</b>	<b>5,064</b>	<b>4,500</b>
<b>Total equity</b>	<b>6,062</b>	<b>5,941</b>	<b>5,628</b>	<b>5,064</b>	<b>4,500</b>

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

**Table 3.2.3: Departmental statement of changes in equity—summary of movement (Budget year 2010–11)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2010</b>					
Balance carried forward from previous period	1,089	144	-	4,829	6,062
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>1,089</b>	<b>144</b>	<b>-</b>	<b>4,829</b>	<b>6,062</b>
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (deficit) for the period	(1,686)	-	-	-	-
<b>Total comprehensive income recognised directly in equity</b>	<b>(1,686)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>					
<i>Distributions to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	650	650
Appropriation (departmental capital budget)	-	-	-	915	915
Other	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,565</b>	<b>1,565</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2011</b>	<b>(597)</b>	<b>144</b>	<b>-</b>	<b>6,394</b>	<b>7,627</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,402	3,324	3,324	3,324	3,324
Appropriations	72,261	72,846	75,343	76,849	77,914
Appropriations from OPA	3,156	-	-	-	-
<b>Total cash received</b>	<b>77,819</b>	<b>76,170</b>	<b>78,667</b>	<b>80,173</b>	<b>81,238</b>
<b>Cash used</b>					
Employees	36,383	39,235	41,605	42,782	43,128
Suppliers	38,280	36,935	37,062	37,391	38,110
<b>Total cash used</b>	<b>74,663</b>	<b>76,170</b>	<b>78,667</b>	<b>80,173</b>	<b>81,238</b>
<b>Net cash from (used by) operating activities</b>	<b>3,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	3,364	1,565	1,173	1,122	1,122
<b>Total cash used</b>	<b>3,364</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>Net cash from (used by) investing activities</b>	<b>(3,364)</b>	<b>(1,565)</b>	<b>(1,173)</b>	<b>(1,122)</b>	<b>(1,122)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	208	1,565	1,173	1,122	1,122
<b>Total cash received</b>	<b>208</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>Cash used</b>					
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) financing activities</b>	<b>208</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>Net increase (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	700	700	700	700	700
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget – Bill 1 (DCB)	-	915	1,173	1,122	1,122
Equity injections – Bill 2	208	650	-	-	-
Previous years' outputs – Bill 2	3,156	-	-	-	-
<b>Total capital appropriations</b>	<b>3,364</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	3,364	1,565	1,173	1,122	1,122
Other Items	-	-	-	-	-
<b>Total Items</b>	<b>3,364</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	208	650	-	-	-
Funded by capital appropriation – DCB <sup>1</sup>	-	915	1,173	1,122	1,122
Funded internally from departmental resources <sup>2</sup>	3,156	-	-	-	-
<b>TOTAL</b>	<b>3,364</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	3,364	1,565	1,173	1,122	1,122
<b>Total cash used to acquire assets</b>	<b>3,364</b>	<b>1,565</b>	<b>1,173</b>	<b>1,122</b>	<b>1,122</b>

1 Includes purchases from current and previous year's departmental capital budgets.

2 Includes the following sources of funding: annual and prior year appropriations; donations and contributions; gifts; internally developed assets; s. 31 relevant agency receipts; proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of asset movements (2010–11)**

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2010</b>				
Gross book value	6,986	915	3,547	<b>11,448</b>
Accumulated depreciation/amortisation and impairment	-	-	2,455	<b>2,455</b>
<b>Opening net book balance</b>	<b>6,986</b>	<b>915</b>	<b>1,092</b>	<b>8,993</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase – appropriation equity	-	250	1,315	<b>1,565</b>
<b>Total additions</b>	<b>-</b>	<b>250</b>	<b>1,315</b>	<b>1,565</b>
<b>Other movements</b>				
Depreciation/amortisation expense	785	184	717	<b>1,686</b>
<b>As at 30 June 2011</b>				
Gross book value	6,986	1,165	4,862	<b>13,013</b>
Accumulated depreciation/amortisation and impairment	785	184	3,172	<b>4,141</b>
<b>Closing net book balance</b>	<b>6,201</b>	<b>981</b>	<b>1,690</b>	<b>8,872</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation revenue</b>					
Fees and fines	9,334	10,099	10,982	12,088	12,810
<b>Total non-taxation revenue</b>	<b>9,334</b>	<b>10,099</b>	<b>10,982</b>	<b>12,088</b>	<b>12,810</b>
<b>Total revenues administered on behalf of government</b>	<b>9,334</b>	<b>10,099</b>	<b>10,982</b>	<b>12,088</b>	<b>12,810</b>
<b>Total income administered on behalf of government</b>	<b>9,334</b>	<b>10,099</b>	<b>10,982</b>	<b>12,088</b>	<b>12,810</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Employee benefits	-	-	-	-	-
Supplier expenses	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Grants	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-
Finance costs	-	-	-	-	-
Write-down and impairment of assets	-	-	-	-	-
Foreign exchange losses	-	-	-	-	-
CAC Act body payment item	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses administered on behalf of government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	2,448	2,448	2,448	2,448	2,448
Other	1,503	1,503	1,503	1,503	1,503
<b>Total financial assets</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>
<b>Total assets administered on behalf of government</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Other	248	248	248	248	248
<b>Total payables</b>	<b>248</b>	<b>248</b>	<b>248</b>	<b>248</b>	<b>248</b>
<b>Total liabilities administered on behalf of government</b>	<b>248</b>	<b>248</b>	<b>248</b>	<b>248</b>	<b>248</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009–10 \$'000	Budget estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000	Forward estimate 2013–14 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	10,300	11,109	12,003	12,088	12,810
<b>Total cash received</b>	<b>10,300</b>	<b>11,109</b>	<b>12,003</b>	<b>12,088</b>	<b>12,810</b>
<b>Cash used</b>					
Net GST paid	1,030	1,111	1,200	1,208	1,280
<b>Total cash used</b>	<b>1,030</b>	<b>1,111</b>	<b>1,200</b>	<b>1,208</b>	<b>1,280</b>
<b>Net cash from (used by) operating activities</b>	<b>9,270</b>	<b>9,998</b>	<b>10,803</b>	<b>10,880</b>	<b>11,530</b>
<b>INVESTING ACTIVITIES</b>					
<b>Net cash from (used by) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Other	9,270	9,998	10,803	10,880	11,530
<b>Total cash used</b>	<b>9,270</b>	<b>9,998</b>	<b>10,803</b>	<b>10,880</b>	<b>11,530</b>
<b>Net cash from (used by) financing activities</b>	<b>(9,270)</b>	<b>(9,998)</b>	<b>(10,803)</b>	<b>(10,880)</b>	<b>(11,530)</b>
<b>Net increase (decrease) in cash held</b>					
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>