

# DEPARTMENT OF THE TREASURY

<b>Section 1: Agency overview and resources</b> .....	<b>11</b>
1.1 Strategic direction .....	11
1.2 Agency resource statement .....	12
1.3 Agency measures table .....	14
1.4 Additional estimates and variations .....	15
1.5 Breakdown of additional estimates by Appropriation Bill.....	16
<b>Section 2: Revisions to agency outcomes and planned performance</b> .....	<b>17</b>
2.1 Resources and performance information .....	17
<b>Section 3: Explanatory tables and budgeted financial statements</b> .....	<b>19</b>
3.1 Explanatory tables .....	19
3.2 Budgeted financial statements .....	19



# DEPARTMENT OF THE TREASURY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

There has been no significant change to the strategic direction of the Department of the Treasury (the Treasury) from that outlined in the *Portfolio Budget Statements 2011-12* (pages 15-17).

As a result of Administrative Arrangements Orders of 14 December 2011, the housing supply policy function transferred from the Department of Sustainability, Environment, Water, Population and Communities to the Treasury.

The Treasury is seeking an additional \$4.2 million in departmental outputs through Appropriation Bill (No. 3) 2011-12. This relates to an additional \$2.7 million for the Clean Energy Finance Corporation and \$1.2 million for the Clean Energy Future – Supporting Energy Markets – Energy Security Fund measures as outlined in the *Mid-Year Economic and Fiscal Outlook 2011-12*, and an additional \$0.3 million for the Stronger Super – Superstream measure that was agreed after the 2011-12 Mid-Year Economic and Fiscal Outlook.

The Stronger Super – Superstream measure is designed to enhance the back office of the superannuation system and the make the process of everyday transactions easier, cheaper and faster.

The Treasury is also seeking an additional \$2.0 million in administered items through Appropriation Bill (No. 4) 2011-12. This relates to the carryover of funds unspent from 2010-11 for the Education Tax Refund information campaign.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Department of the Treasury resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012**

	Estimates as at Budget 2011-12 \$'000	Proposed Additional Estimates 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
<b>Ordinary annual services</b>				
<b>Departmental</b>				
Prior year departmental carried forward	75,474	-	75,474	72,164
Departmental appropriation <sup>2</sup>	158,061 <sup>1</sup>	4,158 <sup>3</sup>	162,219	167,728
Receipts from other sources (s31)	12,610	185	12,795	8,370
<b>Total departmental</b>	<b>246,145</b>	<b>4,343</b>	<b>250,488</b>	<b>248,262</b>
<b>Administered expenses</b>				
Outcome 1	16,685	2,002 <sup>3</sup>	18,687	15,916
<b>Total administered expenses</b>	<b>16,685</b>	<b>2,002</b>	<b>18,687</b>	<b>15,916</b>
<b>Total ordinary annual services</b>	<b>A 262,830</b>	<b>6,345</b>	<b>269,175</b>	<b>264,178</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	583	-	583	1,395
<b>Total</b>	<b>583</b>	<b>-</b>	<b>583</b>	<b>1,395</b>
<b>Administered non-operating</b>				
Administered assets and liabilities Outcome 1	62,708	-	62,708	162,265
<b>Total</b>	<b>62,708</b>	<b>-</b>	<b>62,708</b>	<b>162,265</b>
<b>Total other services</b>	<b>B 63,291</b>	<b>-</b>	<b>63,291</b>	<b>163,660</b>
<b>Total available annual appropriations (A + B)</b>	<b>326,121</b>	<b>6,345</b>	<b>332,466</b>	<b>427,838</b>

**Table 1.1: Department of the Treasury resource statement — additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)**

	Estimates as at Budget <sup>+</sup> 2011-12 \$'000	Proposed Additional Estimates = 2011-12 \$'000	Total estimate at Additional Estimates 2011-12 \$'000	Total available appropriation 2010-11 \$'000
<b>Special appropriations</b>				
<i>Federal Financial Relations Act 2009 International Monetary Agreements Act 1947</i>	68,062,520	(998,378)	67,064,142	63,441,516
<i>Car Dealership Financing Guarantee Appropriation Act 2009</i>	2,379,146	(1,048,987)	1,330,159	557,153
<i>Asian Development Bank (Additional Subscription) Act 2009</i>	-	-	-	4,922
<i>Superannuation Industry (Supervision) Act 1993</i>	15,812	(1,000)	14,812	18,687
	-	-	-	54,994
<b>Total special appropriations</b>	<b>C 70,457,478</b>	<b>(2,048,365)</b>	<b>68,409,113</b>	<b>64,077,272</b>
<b>Total appropriations excluding special accounts (A+B+C)</b>	<b>70,783,599</b>	<b>(2,042,020)</b>	<b>68,741,579</b>	<b>64,505,110</b>
<b>Special accounts</b>				
Opening balance	2,151	-	2,151	2,223
Appropriation receipts	-	-	-	-
Non-appropriation receipts to special accounts	16,540,180	5,479,006	22,019,186	18,402,547
<b>Total special account</b>	<b>D 16,542,331</b>	<b>5,479,006</b>	<b>22,021,337</b>	<b>18,404,770</b>
<b>Total resourcing (A+B+C+D)</b>	<b>87,325,930</b>	<b>3,436,986</b>	<b>90,762,916</b>	<b>82,909,880</b>
Less receipts from other sources credited to special accounts	1,629	-	1,629	
<b>Total net resourcing for the Treasury</b>	<b>87,324,301</b>	<b>3,436,986</b>	<b>90,761,287</b>	<b>82,909,880</b>

1 Includes the transfer of \$0.989 million under section 32 of the *Financial Management and Accountability Act 1997* from the Department of Sustainability, Environment, Water, Population and Communities.

2 Includes \$6.5 million in 2011-12 for the departmental capital budget (also refer to Table 3.2.5).

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

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget.

**Table 1.2: Agency Measures since Budget**

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Expense measures</b>					
Australian Financial Centre					
	Taskforce Secretariat	1.1	165	-	-
Clean Energy Finance					
	Corporation	1.1	2,667	-	-
Clean Energy Future					
	- Supporting Energy Markets - Energy Security Council	1.1	-	-	-
	- Supporting Energy Markets - Energy Security Fund	1.1	1,194	799	1,971
Establishment of a Tax Studies Institute					
		1.1	-	1,000	1,000
Grant to Australasian Compliance Institute					
		1.1	20	20	25
	Stronger Super - Superstream(a)	1.1	297	536	216
Clean Energy Future					
	- Putting a Price on Pollution - revenue from sale of carbon units	1.4	-	-	-
Fringe Benefits Tax					
	- reform of living-away-from-home allowances and benefits	1.4	-	(2,000)	(3,000)
	- reform of the car fringe benefits rules - transitional change	1.4	-	-	-
GST					
	- treatment of appropriations	1.4	-	-	-
	- treatment of new residential premises: minor changes	1.4	-	-	-
	GST-free health supplies	1.4	-	-	-
Extractive Industry Activities - Independent Expert Scientific Committee and National Partnership Agreement					
		1.10	10,000	20,000	20,000
Health and Hospitals Fund					
	- Northern Territory BreastScreen Australia project	1.10	(1,200)	(600)	1,200
	- Royal Hobart Hospital - bring forward of funding	1.10	-	(38,606)	(50,000)
	Majura Parkway - upgrade	1.10	9,500	-	50,000
	Nation Building - modification	1.10	1,375,940	(1,218,940)	(62,000)
	Nation Building Programs 1 and 2 - reallocation of funding	1.10	(9,500)	-	-
					(114,500)

**Table 1.2: Agency Measures since Budget (continued)**

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Expense measures (continued)</b>					
National Health Reform Agreement - revised funding arrangements	1.10	-	-	-	21,000
Natural Disaster Recovery and Rebuilding					
- Adelong Pool	1.10	-	-	-	-
- Victorian Interest Rate Subsidy - Assistance to Businesses in Victoria	1.10	4,500	800	800	700
Positron Emission Tomography (PET) services at Westmead Hospital	1.10	(1,300)	(1,300)	(1,300)	(1,300)
Schools - Reward Payments for School Improvement - revised implementation	1.10	-	(21,335)	(49,900)	(27,775)
Stronger Futures in the Northern Territory - Tackling Alcohol Abuse	1.10	-	-	-	-
Tasmanian Forest Industry - adjustment package	1.10	50,000	7,000	7,000	7,000
Trade Training Centres in Schools Program - rephasing	1.10	-	-	(17,400)	-

Note: Details of these measures are in the *Mid-Year Economic and Fiscal Outlook 2011-12*.

(a) Measure that impacts on Appropriation Bill No. 3 that was agreed after the Mid-Year Economic and Fiscal Outlook.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the additional estimates resulting from new measures since the 2011-12 Budget. Table 1.4 details the additional estimates resulting from other variations since the 2011-12 Budget.

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental)</b>					
Clean Energy Finance Corporation	1.1	2,667	-	-	-
Clean Energy Future					
- Supporting Energy Markets - Energy Security Fund	1.1	1,194	799	1,971	1,989
Stronger Super - Superstream	1.1	297	536	216	162
<b>Net impact on estimates for Outcome 1 (departmental)</b>		<b>4,158</b>	<b>1,335</b>	<b>2,187</b>	<b>2,151</b>

Note: These figures represent the fiscal balance impact.

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Carry over of unspent funds from 2010-11 for the Education Tax Refund information campaign	1.1	2,002	-	-	-
<b>Net impact on estimates for Outcome 1 (administered)</b>					
		<b>2,002</b>	-	-	-

Note: These figures represent the fiscal balance impact.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the additional estimates sought for the Treasury through Appropriation Bill No. 3. The Treasury is not seeking funding through Appropriation Bill No. 4.

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

	2010-11 available \$'000	2011-12 budget \$'000	2011-12 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations</b>					
Departmental items	167,728	158,061	162,219	4,158	-
Administered items	15,916	16,685	18,687	2,002	-
<b>Total</b>	<b>183,644</b>	<b>174,746</b>	<b>180,906</b>	<b>6,160</b>	-

Note: The 2011-12 budget figure for departmental items includes the transfer of \$0.989 million under section 32 of the *Financial Management and Accountability Act 1997* from the Department of Sustainability, Environment, Water, Population and Communities.

## Section 2: Revisions to agency outcomes and planned performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change to outcomes or the outcome strategy for the Treasury from that included in the *Portfolio Budget Statements 2011-12* (pages 23-24).

There has been no change to the program objective, expenses, deliverables or key performance indicators for programs 1.2 to 1.10 that affect Appropriation Bills No. 3 and No. 4.

Programs 1.4 to 1.10 relate to Australia's Federal Relations. Further details of Australia's Federal Relations are on pages 64 to 142 of the *Mid-Year Economic and Fiscal Outlook 2011-12*.

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

<b>Outcome 1:</b> Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations	2010-11 Actual \$'000	2011-12 Revised estimated resources \$'000
<b>Program 1.1: Department of the Treasury</b>		
Departmental resources		
Ordinary annual services (Appropriation Bills No. 1 and No. 3)	167,728	162,219
Equity injections (Appropriation Bill No. 2)	1,395	583
Revenues from independent sources (s31)	8,370	12,795
Special accounts	1,629	1,629
Administered items		
Other Services (Appropriation Bills No. 1 and No. 3)	6,714	15,439
<b>Total for Program 1.1</b>	<b>185,836</b>	<b>192,665</b>
	2010-11	2011-12
<b>Average staffing level (number)</b>	1,012	990

**Program 1.1: Department of the Treasury**

There has been no change to the program objective, deliverables or key performance indicators from that included in the *Portfolio Budget Statements 2011-12*.

As a result of Administrative Arrangements Orders of 14 December 2011, the housing supply policy function transferred from the Department of Sustainability, Environment, Water, Population and Communities to the Treasury.

**Table 2.2: Program expenses**

	2010-11	2011-12	2012-13	2013-14	2014-15
	Actuals	Revised budget	Forward year 1	Forward year 2	Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses					
Departmental items	177,767	180,415	170,353	163,688	164,729
Total departmental expenses	177,767	180,415	170,353	163,688	164,729
Administered expenses					
Other Services	6,714	15,439	-	-	-
Total administered expenses	6,714	15,439	-	-	-
<b>Total program resources</b>	<b>191,195</b>	<b>211,293</b>	<b>170,353</b>	<b>163,688</b>	<b>164,729</b>

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specific purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Treasury.

**Table 3.1.1: Estimates of special account cash flows and balances**

	Outcome	Opening balance 2011-12 2010-11 \$'000	Receipts		Payments 2011-12 2010-11 \$'000	Closing balance 2011-12 2010-11 \$'000
			Non-Appropriated 2011-12 2010-11 \$'000	Appropriated 2011-12 2010-11 \$'000		
Actuarial Services Special Account (D)	1	2,151 2,205	1,629 1,507	- -	1,629 1,561	2,151 2,151
COAG Reform Fund Special Account (A)	1	-	22,019,186 18,402,547	- -	22,019,186 18,402,547	- -
Financial System Stability Special Account (A)	1	-	-	-	-	-
Other Trust Moneys Account (D)	1	-	-	-	-	-
Services for other Governments and Non-agency Bodies Account (D)	1	-	-	-	-	-
<b>Total special accounts 2011-12 Budget estimate</b>		<b>2,151</b>	<b>22,020,815</b>	<b>-</b>	<b>22,020,815</b>	<b>2,151</b>
Total special accounts 2010-11 estimate actual		2,205	18,404,054	-	18,404,108	2,151

(A) Administered.  
(D) Departmental.

### 3.2 BUDGETED FINANCIAL STATEMENTS

#### 3.2.1 Analysis of budgeted financial statements

The Department of the Treasury is budgeting for a departmental breakeven operating result for 2011-12.

The Department of the Treasury has a sound financial position and currently has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

### 3.2.2 Budgeted financial statements

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>EXPENSES</b>					
Employee benefits	119,553	121,523	114,001	108,304	108,983
Supplier	43,122	46,456	42,917	41,947	42,335
Grants	3,077	1,100	2,100	2,106	2,080
Depreciation and amortisation	12,015	11,336	11,335	11,331	11,331
<b>Total expenses</b>	<b>177,767</b>	<b>180,415</b>	<b>170,353</b>	<b>163,688</b>	<b>164,729</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	8,623	11,868	11,868	11,868	11,868
Other revenue	726	927	762	768	742
<b>Total revenue</b>	<b>9,349</b>	<b>12,795</b>	<b>12,630</b>	<b>12,636</b>	<b>12,610</b>
<b>Gains</b>					
Other gains	571	550	550	550	550
<b>Total gains</b>	<b>571</b>	<b>550</b>	<b>550</b>	<b>550</b>	<b>550</b>
<b>Total own-source income</b>	<b>9,920</b>	<b>13,345</b>	<b>13,180</b>	<b>13,186</b>	<b>13,160</b>
<b>Net cost of (contribution by) services</b>	<b>167,847</b>	<b>167,070</b>	<b>157,173</b>	<b>150,502</b>	<b>151,569</b>
Appropriation revenue	158,268	155,734	145,838	139,171	140,238
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(9,579)</b>	<b>(11,336)</b>	<b>(11,335)</b>	<b>(11,331)</b>	<b>(11,331)</b>
<b>Note: Reconciliation of operating result attributable to the agency</b>					
	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>(9,579)</b>	<b>(11,336)</b>	<b>(11,335)</b>	<b>(11,331)</b>	<b>(11,331)</b>
Plus non-appropriated expenses depreciation and amortisation expenses	12,015	11,336	11,335	11,331	11,331
<b>Operating result attributable to the Treasury</b>	<b>2,436</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)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	836	836	836	836	836
Trade and other receivables	78,211	80,211	82,211	84,211	86,211
<b>Total financial assets</b>	<b>79,047</b>	<b>81,047</b>	<b>83,047</b>	<b>85,047</b>	<b>87,047</b>
<b>Non-financial assets</b>					
Land and buildings	7,878	6,854	5,840	4,836	3,842
Infrastructure, plant and equipment	8,395	9,298	9,850	10,439	11,071
Intangibles	31,117	26,970	21,825	16,794	11,898
Other	2,336	2,336	2,336	2,336	2,336
<b>Total non-financial assets</b>	<b>49,726</b>	<b>45,458</b>	<b>39,851</b>	<b>34,405</b>	<b>29,147</b>
<b>Total assets</b>	<b>128,773</b>	<b>126,505</b>	<b>122,898</b>	<b>119,452</b>	<b>116,194</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	41,288	43,288	45,288	47,288	49,288
<b>Total provisions</b>	<b>41,288</b>	<b>43,288</b>	<b>45,288</b>	<b>47,288</b>	<b>49,288</b>
<b>Payables</b>					
Suppliers	3,204	3,204	3,204	3,204	3,204
Other	5,619	5,619	5,619	5,619	5,619
<b>Total payables</b>	<b>8,823</b>	<b>8,823</b>	<b>8,823</b>	<b>8,823</b>	<b>8,823</b>
<b>Total liabilities</b>	<b>50,111</b>	<b>52,111</b>	<b>54,111</b>	<b>56,111</b>	<b>58,111</b>
<b>Net assets</b>	<b>78,662</b>	<b>74,394</b>	<b>68,787</b>	<b>63,341</b>	<b>58,083</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	46,621	53,689	59,417	65,302	71,375
Reserves	5,246	5,246	5,246	5,246	5,246
Retained surpluses or accumulated deficits	26,795	15,459	4,124	(7,207)	(18,538)
<b>Total parent entity interest</b>	<b>78,662</b>	<b>74,394</b>	<b>68,787</b>	<b>63,341</b>	<b>58,083</b>
<b>Current assets</b>	<b>81,383</b>	<b>83,383</b>	<b>85,383</b>	<b>87,383</b>	<b>89,383</b>
<b>Non-current assets</b>	<b>47,390</b>	<b>43,122</b>	<b>37,515</b>	<b>32,069</b>	<b>26,811</b>
<b>Current liabilities</b>	<b>45,718</b>	<b>47,558</b>	<b>49,398</b>	<b>51,238</b>	<b>53,078</b>
<b>Non-current liabilities</b>	<b>4,393</b>	<b>4,553</b>	<b>4,713</b>	<b>4,873</b>	<b>5,033</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	9,302	11,868	11,868	11,868	11,868
Appropriations	158,515	153,734	143,838	137,171	138,238
Other	4,584	927	762	768	742
<b>Total cash received</b>	<b>172,401</b>	<b>166,529</b>	<b>156,468</b>	<b>149,807</b>	<b>150,848</b>
<b>Cash used</b>					
Employees	120,220	119,523	112,001	106,304	106,983
Suppliers	49,386	45,906	42,367	41,397	41,785
Grants	3,077	1,100	2,100	2,106	2,080
Borrowing costs	60	-	-	-	-
<b>Total cash used</b>	<b>172,743</b>	<b>166,529</b>	<b>156,468</b>	<b>149,807</b>	<b>150,848</b>
<b>Net cash from or (used by) operating activities</b>	<b>(342)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	22	-	-	-	-
<b>Total cash received</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	7,618	7,068	5,728	5,885	6,073
<b>Total cash used</b>	<b>7,618</b>	<b>7,068</b>	<b>5,728</b>	<b>5,885</b>	<b>6,073</b>
<b>Net cash from or (used by) investing activities</b>	<b>(7,596)</b>	<b>(7,068)</b>	<b>(5,728)</b>	<b>(5,885)</b>	<b>(6,073)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	7,618	7,068	5,728	5,885	6,073
<b>Total cash received</b>	<b>7,618</b>	<b>7,068</b>	<b>5,728</b>	<b>5,885</b>	<b>6,073</b>
<b>Cash used</b>					
Repayment of borrowings	40	-	-	-	-
<b>Total cash used</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>7,578</b>	<b>7,068</b>	<b>5,728</b>	<b>5,885</b>	<b>6,073</b>
<b>Net increase or (decrease) in cash held</b>	<b>(360)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	1,196	836	836	836	836
<b>Cash at the end of the reporting period</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (budget year 2011-12)**

	Retained surpluses \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2011</b>					
Balance carried forward from previous period	26,795	5,246	-	46,621	78,662
<b>Adjusted opening balance</b>	26,795	5,246	-	46,621	78,662
<b>Comprehensive income</b>					
Surplus (deficit) for the period	(11,336)	-	-	-	(11,336)
<b>Total comprehensive income</b>	(11,336)	-	-	-	(11,336)
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	583	583
Appropriation (departmental capital budget)	-	-	-	6,485	6,485
<b>Sub-total transactions with owners</b>	-	-	-	7,068	7,068
<b>Estimated closing balance as at 30 June 2012</b>	15,459	5,246	-	53,689	74,394

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 - DCB	6,462	6,485	5,228	5,302	5,490
Total equity injections	1,395	583	500	583	583
<b>Total capital appropriations</b>	7,857	7,068	5,728	5,885	6,073
<b>Represented by:</b>					
Purchase of non-financial assets	7,857	7,068	5,728	5,885	6,073
<b>Total represented by</b>	7,857	7,068	5,728	5,885	6,073
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	1,395	583	500	583	583
Funded by capital appropriations - DCB	6,462	6,485	5,228	5,302	5,490
<b>TOTAL</b>	7,857	7,068	5,728	5,885	6,073
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	7,857	7,068	5,728	5,885	6,073
<b>Total cash used to acquire assets</b>	7,857	7,068	5,728	5,885	6,073

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of asset movements — Departmental (2011-12)**

	Buildings \$'000	Other infrastructure, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2011</b>				
Gross book value	19,653	13,655	41,408	74,716
less Accumulated depreciation/ amortisation	11,775	5,260	10,291	27,326
<b>Opening net book balance</b>	<b>7,878</b>	<b>8,395</b>	<b>31,117</b>	<b>47,390</b>
<b>Capital asset additions</b>				
By purchase - appropriation equity	-	-	583	583
By purchase - appropriation ordinary annual services	500	2,954	3,031	6,485
<b>Total additions</b>	<b>500</b>	<b>2,954</b>	<b>3,614</b>	<b>7,068</b>
<b>Other movements</b>				
Depreciation/amortisation expense	1,524	2,051	7,761	11,336
<b>Total asset movements</b>	<b>1,524</b>	<b>2,051</b>	<b>7,761</b>	<b>11,336</b>
<b>As at 30 June 2012</b>				
Gross book value	20,153	16,609	45,022	81,784
less Accumulated depreciation/ amortisation	13,299	7,311	18,052	38,662
<b>Closing net book balance</b>	<b>6,854</b>	<b>9,298</b>	<b>26,970</b>	<b>43,122</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)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation</b>					
Goods and services	1,879,543	1,621,650	1,406,693	1,198,127	719,476
Interest	127	2,153	4,789	13,646	29,294
Dividends	3,714	4,126	4,226	4,265	4,302
COAG Receipts from government agencies	1,351,057	3,108,166	1,884,261	1,492,515	1,051,267
Other sources of non-taxation revenues	72,269	33,100	2,500	2,500	2,500
Foreign exchange gains	338,219	-	25,316	870,966	67,159
<b>Total non-taxation</b>	<b>3,644,929</b>	<b>4,769,195</b>	<b>3,327,785</b>	<b>3,582,019</b>	<b>1,873,998</b>
<b>Total income administered on behalf of Government</b>	<b>3,644,929</b>	<b>4,769,195</b>	<b>3,327,785</b>	<b>3,582,019</b>	<b>1,873,998</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	86,935,638	87,079,541	83,997,055	88,394,005	88,855,320
Interest	18,734	21,358	15,169	15,299	15,334
Other	6,765	201,476	675	675	675
<b>Total expenses administered on behalf of Government</b>	<b>86,961,137</b>	<b>87,302,375</b>	<b>84,012,899</b>	<b>88,409,979</b>	<b>88,871,329</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)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	4,763	4,763	4,763	4,763	4,763
Loans	-	1,202,555	1,638,055	1,816,843	1,980,651
Receivables	2,922,847	1,376,636	734,175	273,799	182,434
Investments	11,383,633	11,215,576	16,385,566	17,346,532	17,504,872
<b>Total financial assets</b>	<b>14,311,243</b>	<b>13,799,530</b>	<b>18,762,559</b>	<b>19,441,937</b>	<b>19,672,720</b>
<b>Non-financial assets</b>					
Other	14,792	-	-	-	-
<b>Total non-financial assets</b>	<b>14,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>14,326,035</b>	<b>13,799,530</b>	<b>18,762,559</b>	<b>19,441,937</b>	<b>19,672,720</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	3,851,037	3,204,319	6,646,907	6,670,439	6,694,181
Other debt	4,585,365	4,354,576	4,364,594	4,406,558	4,449,277
<b>Total interest bearing liabilities</b>	<b>8,436,402</b>	<b>7,558,895</b>	<b>11,011,501</b>	<b>11,076,997</b>	<b>11,143,458</b>
<b>Provisions</b>					
Other provisions	4,596,862	2,520,392	2,587,397	1,042,844	8,356
<b>Total provisions</b>	<b>4,596,862</b>	<b>2,520,392</b>	<b>2,587,397</b>	<b>1,042,844</b>	<b>8,356</b>
<b>Payables</b>					
Grants	884,073	204,027	197,017	196,584	196,197
Other payables	2,131,837	1,482,542	850,067	417,456	323,665
<b>Total payables</b>	<b>3,015,910</b>	<b>1,686,569</b>	<b>1,047,084</b>	<b>614,040</b>	<b>519,862</b>
<b>Total liabilities administered on behalf of Government</b>	<b>16,049,174</b>	<b>11,765,856</b>	<b>14,645,982</b>	<b>12,733,881</b>	<b>11,671,676</b>

Prepared on Australian Accounting Standards basis.

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

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	1,238,386	945,840	717,303	532,284	129,447
Interest	3,144	5,523	5,437	5,486	5,535
Dividends	750,000	-	-	-	-
COAG receipts from government agencies	1,337,197	10,691,041	10,059,147	10,322,918	10,585,633
Other	66,836	33,100	2,500	2,500	2,500
<b>Total cash received</b>	<b>3,395,563</b>	<b>11,675,504</b>	<b>10,784,387</b>	<b>10,863,188</b>	<b>10,723,115</b>
<b>Cash used</b>					
Grant payments	81,899,064	96,646,790	91,401,126	98,065,717	98,816,487
Interest paid	16,965	15,993	15,108	15,243	15,380
Other	23,156	26,223	12,175	4,675	1,675
<b>Total cash used</b>	<b>81,939,185</b>	<b>96,689,006</b>	<b>91,428,409</b>	<b>98,085,635</b>	<b>98,833,542</b>
<b>Net cash from or (used by) operating activities</b>	<b>(78,543,622)</b>	<b>(85,013,502)</b>	<b>(80,644,022)</b>	<b>(87,222,447)</b>	<b>(88,110,427)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
IMF MOV	401,961	-	-	-	-
<b>Total cash received</b>	<b>401,961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of equity instruments	18,687	356,017	1,692,877	24,844	25,066
Loans advances	-	995,649	431,119	172,137	154,850
Other	540,188	-	-	-	-
<b>Total cash used</b>	<b>558,875</b>	<b>1,351,666</b>	<b>2,123,996</b>	<b>196,981</b>	<b>179,916</b>
<b>Net cash from or (used by) investing activities</b>	<b>(156,914)</b>	<b>(1,351,666)</b>	<b>(2,123,996)</b>	<b>(196,981)</b>	<b>(179,916)</b>
<b>Net increase or (decrease) in cash held</b>					
	<b>(78,700,536)</b>	<b>(86,365,168)</b>	<b>(82,768,018)</b>	<b>(87,419,428)</b>	<b>(88,290,343)</b>
Cash at beginning of reporting period	4,063	4,763	4,763	4,763	4,763
<b>Cash from Official Public Account - appropriations</b>					
	83,842,479	90,457,791	85,377,513	89,452,207	89,479,086
<b>Cash to Official Public Account</b>					
	5,141,243	4,092,623	2,609,495	2,032,779	1,188,743
<b>Cash at end of reporting period</b>	<b>4,763</b>	<b>4,763</b>	<b>4,763</b>	<b>4,763</b>	<b>4,763</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of Administered Capital Budget**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered assets and liabilities	14,765	36,500	57,000	50,000	30,000
Special appropriations	532,059	1,314,166	2,073,996	146,981	157,416
<b>Total capital appropriations</b>	<b>546,824</b>	<b>1,350,666</b>	<b>2,130,996</b>	<b>196,981</b>	<b>187,416</b>
<b>Represented by:</b>					
Other	546,824	1,350,666	2,130,996	196,981	187,416
<b>Total represented by</b>	<b>546,824</b>	<b>1,350,666</b>	<b>2,130,996</b>	<b>196,981</b>	<b>187,416</b>

Prepared on Australian Accounting Standards basis.

### Notes to the financial statements

The Treasury's budgeted statements are prepared on an accrual basis in accordance with:

- the Government's financial budgeting and reporting framework; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

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

Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.

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

