

Portfolio Additional Estimates Statements 2016-17

Prime Minister and Cabinet Portfolio

Explanations of Additional Estimates 2016-17

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ASSISTANT MINISTER TO THE PRIME MINISTER

PARLIAMENT HOUSE
CANBERRA 2600

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2016-17 Additional Estimates for the Prime Minister and Cabinet Portfolio.

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

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'James McGrath'.

JAMES MCGRATH

ABBREVIATIONS AND CONVENTIONS

The following notations may be used:

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nfp	not for publication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

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

Enquiries

Should you have any enquiries regarding this publication please contact, Chief Financial Officer in the Department of the Prime Minister and Cabinet on (02) 6271 5089.

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

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

USER GUIDE

The purpose of the 2016-17 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcomes since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3 and 4) 2016-17*. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook (MYEFO) 2016-17* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the Portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio overview

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

Entity Additional Estimates Statements

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

Section 1: Entity overview and resources This section details the changes in total resources available to an entity, the impact of any measures since Budget, and the impact of *Appropriation Bills (Nos. 3 and 4) 2016-17*.

Section 2: Revisions to outcomes and planned performance This section details **changes** to Government outcomes and/or **changes** to the planned performance of entity programs.

Section 3: Budgeted financial statements This section contains revisions to the budgeted financial statements.

Portfolio glossary

Explains key terms relevant to the Portfolio.

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PORTFOLIO OVERVIEW

PRIME MINISTER AND CABINET PORTFOLIO OVERVIEW

The role of the Prime Minister and Cabinet Portfolio is to provide policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers, and Assistant Ministers on matters that are at the forefront of public and government administration.

The principal responsibilities of the Prime Minister and Cabinet Portfolio comprise:

- advice to the Prime Minister across Government on policy and implementation
- assistance to the Prime Minister in managing the Cabinet program
- Commonwealth Aboriginal and Torres Strait Islander policy, programs and service delivery
- national security, counter terrorism, and cyber policy coordination
- ensuring compliance by the Australian Intelligence Community agencies with Australian Law and ministerial directions
- coordination and evaluation of Australia's foreign intelligence activities
- impartial and independent investigation of complaints about the Australian Government actions and other statutory oversight and compliance functions
- intergovernmental relations and communications with state and territory governments
- coordination of government administration
- Australian Government employment workplace relations policy
- Australian honours and symbols policy
- official and ceremonial support
- support to the Governor-General to perform his official duties
- encouraging high quality regulation and reducing the burden of government regulation
- women's policies and women's leadership and development strategy
- whole of government service delivery policy, focusing on increasing the accessibility and efficiency of digital government service interfaces
- public data policy and related matters
- national policy on cities
- population policy

Portfolio Overview

The Portfolio comprises of eight non-corporate Commonwealth entities, eight corporate Commonwealth entities, and three Commonwealth Companies under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Portfolio includes the following non-corporate Commonwealth entities under the PGPA Act:

- Department of the Prime Minister and Cabinet
- Australian National Audit Office
- Australian Public Service Commission
- Digital Transformation Agency
- Office of National Assessments
- Office of the Commonwealth Ombudsman
- Office of the Inspector-General of Intelligence and Security
- Office of the Official Secretary to the Governor-General

The Portfolio includes the following corporate Commonwealth entities under the PGPA Act:

- Indigenous Business Australia
- Indigenous Land Corporation
- Northern Territory Land Councils
 - Anindilyakwa Land Council
 - Central Land Council
 - Northern Land Council
 - Tiwi Land Council
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council

The Portfolio includes the following Commonwealth Companies under the PGPA Act:

- Aboriginal Hostels Limited
- National Australia Day Council Limited
- Outback Stores Pty Ltd

The **Department of the Prime Minister and Cabinet (PM&C)** is a non-corporate Commonwealth entity and is subject to the PGPA Act. The principal function of PM&C is to provide support to the Prime Minister, the Cabinet, Portfolio Ministers, and Assistant Ministers to achieve a coordinated and innovative approach to the development and implementation of government policies.

PM&C is also responsible for Whole-of-Government policy and programs relating to Indigenous affairs, regulation reform, cities & built environment and women.

Aboriginal Hostels Limited (AHL) is a Commonwealth company subject to the *Corporations Act 2001* and the PGPA Act. AHL provides temporary accommodation to Aboriginal and Torres Strait Islander people through a national network of accommodation facilities. AHL provides accommodation that supports Aboriginal and Torres Strait Islander people to access educational, employment-related and health opportunities.

The **Aboriginal Land Commissioner** is an independent statutory office holder under the *Aboriginal Land Rights (Northern Territory) Act 1976 (ALR Act)* and is subject to the PGPA Act. The principal function of the Commissioner is to conduct formal inquiries into applications for claims to traditional Aboriginal land in the Northern Territory and to provide recommendations to the Minister for Indigenous Affairs for the grant of land to traditional owners where appropriate.

The **Australian National Audit Office (ANAO)** is a non-corporate Commonwealth entity established under the *Auditor-General Act 1997* and is subject to the PGPA Act. The ANAO assists the Auditor-General in undertaking the performance of functions under the *Auditor-General Act 1997*.

The **Australian Public Service Commission (APSC)** is a non-corporate Commonwealth entity with a number of functions under the *Public Service Act 1999*, is subject to the PGPA Act and has a central leadership role in providing expertise, guidance and performance monitoring on workforce management strategies. The APSC has a key role in supporting frameworks for a modern and flexible workforce, improving workforce management to support an efficient and effective Australian Public Service (APS), supporting high ethical standards and fostering improved capability and leadership.

The **Defence Force Remuneration Tribunal** is an independent authority established under section 58G of the *Defence Act 1903*. The Defence Force Remuneration Tribunal determines the pay and allowances of members of the Australian Defence Force, considering the special nature of the Defence Force service.

The **Digital Transformation Agency (DTA)** is a non-corporate Commonwealth entity subject to the PGPA Act, focused on ensuring everyone who needs to use government services finds what they need and gets it done quickly and easily. The DTA will deliver and assist agencies to deliver, simpler, clearer and faster services to all.

Portfolio Overview

The position of **Executive Director of Township Leasing** (EDTL) is an independent statutory office holder that is subject to the PGPA Act and was established under the ALR Act to enter into leases of Aboriginal-held land in the Northern Territory on behalf of the Commonwealth, and to administer sub-leases and other rights and interests derived from such leases. The primary function of the EDTL is to hold leases over townships on Aboriginal land in the Northern Territory following agreement between the Commonwealth and the respective Aboriginal Land Council and Land Trust.

The **Independent National Security Legislation Monitor** (INSLM) is appointed under the *Independent National Security Legislation Monitor Act 2010*, amended in December 2014. The INSLM's role is to review the operation, effectiveness and implications of Australia's counter-terrorism and national security legislation on an ongoing basis. This includes considering whether the laws contain appropriate safeguards for protecting the rights of individuals, remain proportionate to any threat of terrorism or threat to national security or both, and remain necessary.

Indigenous Business Australia (IBA) is a corporate Commonwealth entity established under the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act) and is subject to the PGPA Act. IBA creates opportunities for Aboriginal and Torres Strait Islander people and communities to build assets and wealth. IBA assists Aboriginal and Torres Strait Islander people to buy their own home, own their own business and, to invest in commercial ventures and funds that generate financial returns and can also provide employment, training and supply chain opportunities.

The **Indigenous Land Corporation** (ILC) is a corporate Commonwealth entity established under the ATSI Act and is subject to the PGPA Act. The ILC assists Aboriginal and Torres Strait Islander people to acquire and manage land so as to provide economic, environmental, social and cultural benefits. The ILC assists in the delivery of sustainable benefits from land acquisition and by providing land management assistance.

The **National Australia Day Council Limited** (NADC) is a Commonwealth Company that is subject to the PGPA Act. NADC's mission is to inspire national pride and spirit through a range of activities including Australia Day programs and the Australian of the Year Awards.

Anindilyakwa Land Council (ALC), **Central Land Council** (CLC), **Northern Land Council** (NLC) and **Tiwi Land Council** (TLC) are the four Northern Territory Land Councils established under the ALR Act. The Land Councils are subject to the PGPA Act. Each is a corporate Commonwealth entities established to represent Aboriginal interests in a range of processes under the ALR Act.

The **Office of National Assessments (ONA)** is a non-corporate Commonwealth entity operating under the *Office of National Assessments Act 1977* and is subject to the PGPA Act. The ONA provides assessments on international developments, including political, strategic and economic developments, to the Prime Minister, senior ministers and senior officials. The ONA is also responsible for coordinating and evaluating Australia's foreign intelligence activities.

The **Office of the Commonwealth Ombudsman (OCO)** is a non-corporate Commonwealth entity established under the *Ombudsman Act 1976* and is subject to the PGPA Act. The OCO ensures administrative action by Australian Government agencies is fair and accountable by handling complaints, conducting investigations, performing audits and inspections, encouraging good administration, and discharging other specialist oversight tasks. The OCO also influences improvement in public administration in the region through collaboration with partner agencies. The Commonwealth Ombudsman is also the Defence Force, Immigration, Law Enforcement, Postal Industry, Overseas Students, and Private Health Insurance Ombudsman.

The **Office of the Inspector-General of Intelligence and Security (OIGIS)** is a non-corporate Commonwealth entity under the *Inspector-General of Intelligence and Security Act 1986* and is subject to the PGPA Act. The OIGIS works to provide assurance that Australia's intelligence agencies act legally and with propriety whilst having due regard to human rights.

The **Office of the Official Secretary to the Governor-General (OOSGG)** is a non-corporate Commonwealth entity established under the *Ombudsman Act 1976* and is subject to the PGPA Act. The OCO ensures administrative action by Australian Government agencies is fair and accountable by handling complaints, conducting investigations, performing audits and inspections, encouraging good administration, and discharging other specialist oversight tasks. The OCO influences improvement in public administration in the region through collaboration with partner agencies. The Commonwealth Ombudsman is also the Defence Force, Immigration, Law Enforcement, Postal Industry, Overseas Students and Private Health Insurance.

Outback Stores Pty Ltd (OBS) is a Commonwealth Company subject to the *Corporations Act 2001* and the PGPA Act. OBS promotes the health, employment and economic development of remote Indigenous communities by managing quality, sustainable retail stores. OBS helps Aboriginal and Torres Strait Islander people to improve their standard of living and achieve health goals through sustainable retail stores.

The **Registrar of Indigenous Corporations** is an independent statutory office holder who administers the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and is subject to the PGPA Act. The Registrar of Indigenous Corporations registers and regulates Aboriginal and Torres Strait Islander corporations.

Portfolio Overview

The **Remuneration Tribunal** is an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Remuneration Tribunal is primarily responsible for inquiring into and determining the remuneration and allowances to be paid to holders of public offices (including parliamentary offices). The Remuneration Tribunal also reports on and provides advice about these matters.

The **Torres Strait Regional Authority (TSRA)** is a corporate Commonwealth entity established by the *Aboriginal and Torres Strait Islander (ATSI) Act 2005* and is subject to the PGPA Act. The TSRA formulates, implements and monitors the effectiveness of programs for Torres Strait Islander and Aboriginal people living in the Torres Strait and also advises the Minister for Indigenous Affairs about issues relevant to Torres Strait Islander and Aboriginal people living in the Torres Strait region. The TSRA works to empower Torres Strait Islander and Aboriginal people living in the Torres Strait to determine their own affairs based on the *ailan kastom* (island custom) of the Torres Strait.

The **Wreck Bay Aboriginal Community Council (WBACC)** is a corporate Commonwealth entity established by the *Aboriginal Land Grant (Jervis Bay Territory) Act 1986* and is subject to the PGPA Act. The council holds title to land and provides services to the Aboriginal community of Jervis Bay.

Overview of Additional Estimates for the Portfolio

The 2016-17 PM&C PAES demonstrate the change in resourcing of the Portfolio since the 2016-17 PB Statements. Portfolio resources have been modified as a result of new measures announced at the Mid-Year Economic and Fiscal Outlook (MYEFO), and government decisions since MYEFO.

The Department of the Prime Minister and Cabinet, the Digital Transformation Agency and the Office of the Commonwealth Ombudsman are the only agencies in the Portfolio that have been affected by changes since the publication of the 2016-17 PB Statements. No other agencies in the Portfolio are required to report in PAES, as no additional funding is provided through *Appropriation Bills (Nos. 3 and 4) 2016-17*. Further detail on agency responsibilities can be sourced from the 2016-17 PB Statements.

Under the Administrative Arrangements Order (AAO) of 27 October 2016, responsibilities for whole of government information and communications technology (ICT) and ICT procurement policy and services transferred from the Department of Finance to the Digital Transformation Agency (DTA).

Figure 1: Prime Minister and Cabinet Portfolio Structure and Outcomes



continued on next page.

Digital Transformation Agency

Interim Chief Executive Officer: Ms Nerida O'Loughlin

To improve the user experience for all Australians accessing government information and services by leading the design, development and continual enhancement of whole-of-government service delivery policies and standards, platforms and joined-up services.

Indigenous Business Australia

Acting Chief Executive Officer: Mr Rajiv Viswanathan

Outcome: Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition, construction and access to concessional home and business loans.

Indigenous Land Corporation

Chief Executive Officer: Mr John Maher

Outcome: Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through land acquisition and management.

National Australia Day Council Limited

Chief Executive Officer: Mr Christopher Kirby

Outcome: A shared celebration of Australia and Australians through promoting the meaning of and participation in Australia Day and the Australian of the Year Awards.

Northern Territory Land Councils

Anindilyakwa Land Council - *Chief Executive Officer: Mr Mark Hewitt*

Central Land Council - *Accountable Authority: Mr Francis Kelly (Chair) and Mr David Ross (Director)*

Northern Land Council - *Chief Executive Officer: Mr Joe Morrison*

Tiwi Land Council - *Chief Executive Officer: Mr Brian Clancy*

Objective: Represent Aboriginal interests in various processes under the *Aboriginal Land Rights (Northern Territory) Act 1976*. The Central Land Council and Northern Land Council are Native Title Representative Bodies under the *Native Title Act 1993*.

Office of National Assessments

Director General: Mr Richard Maude

Outcome: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia.

continued on next page.

Portfolio Overview

Office of the Commonwealth Ombudsman

Ombudsman: Mr Richard Glenn

Outcome: Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.

Office of the Inspector-General of Intelligence and Security

Inspector-General:

The Hon. Margaret Stone

Outcome: Independent assurance for the Prime Minister, Senior Ministers and Parliament as to whether Australia's intelligence and security agencies act legally and with propriety by inspecting, inquiring into and reporting on their activities.

Office of the Official Secretary to the Governor-General

Official Secretary: Mr Mark Fraser

Outcome: 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.

Outback Stores Pty Ltd

Chief Executive Officer: Mr Michael Borg

Objective: To improve access to affordable, healthy food for Indigenous communities, particularly in remote areas, through providing food supply and store management and support services.

Torres Strait Regional Authority

Chief Executive Officer: Mr Wayne See Kee PSM

Outcome: Progress towards closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait Region through development planning, coordination, sustainable resource management, and preservation and promotion of Torres Strait Islander and Aboriginal culture.

Wreck Bay Aboriginal Community Council

Chief Executive Officer: Mr Mal Hansen

Objective: Established by the *Aboriginal Land Grant (Jervis Bay Territory) Act 1986* to hold title to land and provide council services to the Aboriginal Community of Jervis Bay.

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DEPARTMENT OF THE PRIME MINISTER AND CABINET

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Strategic Direction Statement for PM&C can be found in the 2016-17 PB Statements. There has been no change to PM&C's strategic direction since the publication of the 2016-17 PB Statements.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for PM&C at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through *Appropriation Bills (No. 3 and No. 4) 2016-17*, Special Appropriations and Special Accounts.

Table 1.1: PM&C Resource Statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	Actual available appropriation 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Departmental				
Annual appropriations - ordinary annual services				
Prior year appropriations available ^(a)	-	29,061	(26,858)	2,203
Departmental appropriation ^(b)	384,202	374,203	30,291	404,494
s 74 retained revenue receipts ^(c)	12,483	10,552	116	10,668
Departmental capital budget ^(d)	5,241	6,825	4,907	11,732
Annual appropriations - other services - non-operating				
Prior year appropriations available ^(a)	-	2,495	601	3,096
Equity injection ^(e)	3,096	8,611	-	8,611
Total departmental annual appropriations	405,022	431,747	9,057	440,804
Total departmental resourcing	405,022	431,747	9,057	440,804
Administered				
Annual appropriations - ordinary annual services				-
Outcome 1 ^(b)	19,242	23,137	-	23,137
Outcome 2 ^(b)	1,210,031	1,310,418	75,406	1,385,824
Administered capital budget ^(f)	252	250	-	250
Payments to corporate entities ^(g)	120,727	92,752	-	92,752
Annual appropriations - other services - non-operating ^(e)				
Payments to corporate entities ^(g)	36,550	36,550	-	36,550
Annual appropriations - other services - specific payments to States, ACT, NT and local government ^(e)	7,588	7,648	-	7,648
Total administered annual appropriations	1,394,390	1,470,755	75,406	1,546,161
Total administered special appropriations	259,592	188,006	-	188,006
Special accounts ^(h)				
Opening balance	24,081	20,964	8,664	29,628
Appropriation receipts ⁽ⁱ⁾	207,285	125,005	-	125,005
Non-appropriation receipts	2,644,854	3,022,175	-	3,022,175
Total special account receipts	2,876,220	3,168,144	8,664	3,176,808
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	(207,285)	(125,005)	-	(125,005)
<i>less payments to corporate entities from annual/special appropriations</i>	(120,727)	(92,752)	-	(92,752)
Total administered resourcing	4,202,190	4,609,148	84,070	4,693,218
Total resourcing for PM&C	4,607,212	5,040,895	93,127	5,134,022
Average staffing level (number)			Actual 2015-16 2,097	2016-17 2,077

continued on next page.

Table 1.1: PM&C Resource Statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

Third party payments from and on behalf of other entities

	<i>Actual available appropriation 2015-16 \$'000</i>	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimate 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above)	12,483	10,552	-	10,552
Payments made to corporate entities within the Portfolio				
Indigenous Land Corporation	9,389	9,156	-	9,156
Indigenous Business Australia	34,258	10,602	-	10,602
Aboriginal Hostels Limited	37,582	37,075	-	37,075
Torres Strait Regional Authority	39,498	35,919	-	35,919

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

- (a) The prior year unspent annual appropriation is inclusive of the following:
 - quarantines which will reduce *Appropriation Act (No. 1) 2015-16* by \$1.2 million and *Appropriation Act (No. 1) 2014-15* Capital Budget (DCB) by \$1.5 million, but are still available at law.
 - Quarantines against *Appropriation Act (No. 1) 2013-14* of \$5.0 million, *Appropriation Act (No. 1) 2014-15* of \$41.4 million and \$2.0 million from prior year recognised through contributed equity against *Appropriation Act (No. 1) 2014-15* Capital Budget (DCB) of \$0.8 million.
- (b) *Appropriation Act (No. 1) 2016-17* and *Appropriation Bill (No. 3) 2016-17*.
- (c) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in *Appropriation Act (No.1) 2016-17* and *Appropriation Bill (No. 3) 2016-17* and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) *Appropriation Act (No. 2) 2016-17*.
- (f) Administered capital budgets are not separately identified in *Appropriation Act (No. 1) 2016-17* and *Appropriation Bill (No. 3) 2016-17* and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
- (g) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
- (h) Excludes 'Special Public Money' held in the *Services for Other Entities and Trust Moneys Account (SOETM)*.
- (i) Amounts credited to the special accounts from PM&C's annual and special appropriations.

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2016-17 Budget with the affected program identified.

Table 1.2: Entity 2016-17 measures since Budget

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures					
ASEAN-Australia Summit 2018 Taskforce - establishment	1.1				
Departmental expenses		18,399	-	-	-
Total		18,399	-	-	-
Trusted Digital Identity - funding for second pass business case	1.1				
Departmental expenses		10,000	-	-	-
Total		10,000	-	-	-
Redress Scheme Design	1.1				
Departmental expenses		914	-	-	-
Total		914	-	-	-
Smart Cities and Suburbs Program - establishment	1.1				
Administered expenses		-	25,000	25,000	-
Total		-	25,000	25,000	-
Invest in our Great Barrier Reef	2.1				
Administered expenses		75	225	-	-
Total		75	225	-	-
Indigenous Business Sector Strategy	2.1				
Administered expenses		-	-	-	-
Total		-	-	-	-
Support for Traditional Land Owners to Control Their Land	2.1				
Administered expenses		-	-	-	-
Total		-	-	-	-
Total expense measures					
Administered		75	25,225	25,000	-
Departmental		29,313	-	-	-
Total		29,388	25,225	25,000	-

Prepared on a Government Financial Statistics (fiscal) basis.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to PM&C's resourcing at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Administered					
Annual appropriations					
Smart Cities and Suburbs Program	1.1	-	25,000	25,000	-
Changes in Parameters (net decrease)					
Indexation	1.1	-	(89)	(121)	(167)
Net impact on appropriations for Outcome 1 (administered)		-	24,911	24,879	(167)
Departmental					
Annual appropriations					
ASEAN-Australia Summit 2018 Taskforce - establishment	1.1	18,399	-	-	-
Trusted Digital Identity - funding for second pass business case	1.1	10,000	-	-	-
Redress Scheme Design	1.1	914	-	-	-
Changes in Parameters (net decrease)					
Efficiency Dividend	1.1	-	(1,652)	(2,754)	(3,317)
Indexation	1.1	-	(528)	(630)	(841)
Other Variations (net increase)					
CabNet system upgrade	1.1	4,907	-	-	-
Townsville City Deal Innovative Financing	1.1	1,000	2,000	-	-
Implementation of the Govlink contract	1.1	(22)	(30)	(30)	(30)
Net impact on appropriations for Outcome 1 (departmental)		35,198	(210)	(3,414)	(4,188)
Total net impact on appropriations for Outcome 1		35,198	24,701	21,465	(4,355)

continued on next page.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget (continued)

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 2					
Administered					
Annual appropriations					
Indigenous Business Sector Strategy	2.1	-	-	-	-
Support for Traditional Land Owners to Control Their Land	2.1	-	-	-	-
Invest in our Great Barrier Reef	2.1	75	225	-	-
Movement of Funds (net increase)					
Constitutional Recognition Referendum Council	2.4	5,281	-	-	-
Other Variations (net increase)					
Indigenous Land Corporation - concessional loan	2.1	65,000	-	-	-
Third Action Plan - Reducing Indigenous Family Violence	2.3	4,000	7,325	7,325	-
Third Action Plan - Indigenous Victim Support	2.3	1,050	2,650	2,650	-
Net impact on appropriations for Outcome 2 (administered)		75,406	10,200	9,975	-
Departmental					
Changes in Parameters (net decrease)					
Efficiency Dividend	2.6	-	(4,029)	(6,702)	(8,153)
Indexation	2.6	-	(1,287)	(1,535)	(2,067)
Net impact on appropriations for Outcome 2 (departmental)		-	(5,316)	(8,237)	(10,220)
Total net impact on appropriations for Outcome 2		75,406	4,884	1,738	(10,220)

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Administered items					
Outcome 2 - Indigenous Affairs	1,210,031	1,310,418	1,385,824	75,406	-
Total administered	1,210,031	1,310,418	1,385,824	75,406	-
Departmental programmes					
Outcome 1 - Prime Minister and Cabinet	118,750	113,148	148,390	35,220	(22)
Outcome 2 - Indigenous Affairs	270,693	267,880	267,880	-	-
Total departmental	389,443	381,028	416,270	35,220	(22)
Total administered and departmental	1,599,474	1,691,446	1,802,094	110,626	(22)

Table 1.5: Appropriation Bill (No. 4) 2016-17

Table 1.5 is not included as there have been no variations that affect *Appropriation Bill (No. 4) 2016-17*.

Section 2: Revisions to outcomes and planned performance

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Parliamentary Secretaries including through the coordination of government activities, policy development and program delivery.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1 Budgeted expenses for Outcome 1

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Prime Minister and Cabinet					
Administered expenses					
Compensation and Legal Expenses	234	121	124	122	124
Geocoded National Address File (G-NAF)	4,206	8,140	8,296	8,455	-
National Australia Day Council Limited	3,803	3,828	3,860	3,883	3,907
National Counter Terrorism Committee Secretariat	57	112	111	112	114
Office for Women	2,794	3,602	3,287	3,310	3,327
Parliament House Briefing Room	372	447	450	453	469
Prime Minister's Official Residences	1,874	1,768	1,805	1,847	1,858
State Occasion and Official Visits	2,200	3,632	3,703	3,782	3,802
Support to the former Governors-General	455	422	383	361	3,904
Smart Cities and Suburbs		-	25,000	25,000	-
Ordinary annual services (Appropriation Bill No. 1)	15,995	22,072	47,019	47,325	17,505
Special appropriations					
<i>Public Governance, Performance and Accountability Act 2013- s77</i>	6	10	10	10	10
Special accounts					
Australia New Zealand Land Information	-	35	23	-	-
Services for Other Entities and Trust Moneys	-	5	5	-	-
Expenses not requiring appropriation in the Budget year ^(a)	376	131	131	144	144
Administered total	16,377	22,253	47,188	47,479	17,659

continued on next page.

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Departmental expenses					
Departmental appropriation	96,029	140,657	105,574	103,047	101,594
Section 74 Retained revenue receipts ^(a)	1,455	3,206	3,372	3,245	3,296
Expenses not requiring appropriation in the Budget year ^(b)	5,869	10,137	9,460	7,952	7,612
Departmental total	103,353	154,000	118,406	114,244	112,502
Total expenses for Outcome 1	119,730	176,253	165,594	161,723	130,161

	2015-16	2016-17
Average staffing level (number)	545	552

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, resources received free of charge and audit fees.

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

Table 2.1.2: Performance criteria for Outcome 1

There are no changes to the performance criteria for Outcome 1 as reported in the 2016-17 PB Statements.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programs, and through measures that recognise the place that Indigenous people hold in this Nation.

Linked programs

There are no changes to the linked programs for Outcome 2 as reported in the 2016-17 PB Statements.

Budgeted expenses for Outcome 2

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.2.1 Budgeted expenses for Outcome 2

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 2.1: Jobs, Land and Economy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	511,988	794,617	654,528	610,833	640,338
Special appropriations					
Aboriginals Benefit Account	207,285	125,000	131,000	146,000	152,000
Ranger Agreement	968	983	998	1,013	1,028
Special accounts					
Aboriginal and Torres Strait Islander Land Account	51,105	51,979	53,226	54,504	55,811
Aboriginals Benefit Account	158,790	157,087	154,988	149,478	141,967
Aboriginal and Torres Strait Islander	-	-	-	-	-
Payments to corporate entities	43,647	19,758	42,785	42,685	42,630
Expenses not requiring appropriation in the Budget year ^(a)	20,362	-	-	-	-
Administered total	994,145	1,149,424	1,037,525	1,004,513	1,033,774
<i>less expenses made from special appropriations credited to special accounts</i>	<i>(158,790)</i>	<i>(157,087)</i>	<i>(154,988)</i>	<i>(149,478)</i>	<i>(141,967)</i>
Total expenses for program 2.1	835,355	992,337	882,537	855,035	891,807

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Table 2.2.1 Budgeted expenses for Outcome 2 (continued)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 2.2: Children and Schooling					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	285,438	217,264	212,668	212,663	219,535
Other services (Appropriation Bill No. 2)	7,588	7,648	7,762	6,536	4,779
Special appropriations <i>Higher Education Support Act 2003</i> □	51,333	62,013	68,283	69,887	71,494
Special accounts					
Superannuation Scheme	-	5	5	-	-
Expenses not requiring appropriation in the Budget year ^(a)	628	-	-	-	-
Administered total	344,987	286,930	288,718	289,086	295,808
<i>less expenses made from annual appropriations credited to special accounts</i>	-	(5)	(5)	-	-
Total expenses for program 2.2	344,987	286,925	288,713	289,086	295,808
Program 2.3: Safety and Wellbeing					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	252,980	261,647	267,674	247,411	244,303
Payments to corporate entities	37,582	37,075	37,196	37,363	37,727
Expenses not requiring appropriation in the Budget year ^(a)	282	-	-	-	-
Administered total	290,844	298,722	304,870	284,774	282,030
Total expenses for program 2.3	290,844	298,722	304,870	284,774	282,030
Program 2.4: Culture and Capability					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	58,055	60,196	48,796	48,796	50,321
Expenses not requiring appropriation in the Budget year ^(a)	508	-	-	-	-
Administered total	58,563	60,196	48,796	48,796	50,321
Total expenses for program 2.4	58,563	60,196	48,796	48,796	50,321

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Table 2.2.1 Budgeted expenses for Outcome 2 (continued)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 2.5: Remote Australia Strategies					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	51,211	52,100	54,659	52,375	54,011
Special accounts					
Indigenous Remote Services Delivery	242	4,681	-	-	-
Payments to corporate entities	39,498	35,919	36,229	36,528	36,832
Expenses not requiring appropriation in the Budget year ^(a)	119	-	-	-	-
Administered total	91,070	92,700	90,888	88,903	90,843
Total expenses for program 2.5	91,070	92,700	90,888	88,903	90,843
Program 2.6: Program Support					
Departmental expenses					
Departmental appropriation	292,994	263,837	256,869	255,054	252,811
s 74 Retained revenue receipts ^(b)	11,028	7,462	6,603	6,354	6,454
Expenses not requiring appropriation in the Budget year ^(a)	18,365	8,997	8,764	12,705	11,998
Departmental total	322,387	280,296	272,236	274,113	271,263
Total expenses for program 2.6	322,387	280,296	272,236	274,113	271,263
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,159,672	1,385,824	1,238,325	1,172,078	1,208,508
Other services (Appropriation Bill No. 2)	7,588	7,648	7,762	6,536	4,779
s 74 Retained revenue receipts ^(b)					
Special appropriations	259,586	187,996	200,281	216,900	224,522
Special accounts	210,137	213,752	208,219	203,982	197,778
Payments to corporate entities	120,727	92,752	116,210	116,576	117,189
Expenses not requiring appropriation in the Budget year ^(a)	21,899	-	-	-	-
<i>less expenses made from appropriations credited to special accounts</i>	<i>(158,790)</i>	<i>(157,092)</i>	<i>(154,993)</i>	<i>(149,478)</i>	<i>(141,967)</i>
Administered total	1,620,819	1,730,880	1,615,804	1,566,594	1,610,809
Departmental expenses					
Departmental appropriation	292,994	263,837	256,869	255,054	252,811
s 74 Retained revenue receipts ^(b)	11,028	7,462	6,603	6,354	6,454
Expenses not requiring appropriation in the Budget year ^(a)	18,365	8,997	8,764	12,705	11,998
Departmental total	322,387	280,296	272,236	274,113	271,263
Total expenses for Outcome 2	1,943,206	2,011,176	1,888,040	1,840,707	1,882,072

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Table 2.2.1 Budgeted expenses for Outcome 2 (continued)

Movement of administered funds between years ^(c)	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual \$'000	Revised Budget \$'000	Forward estimate \$'000	Forward estimate \$'000	Forward estimate \$'000
Program 2.4					
Constitutional Recognition					
Referendum Council	(5,281)	5,281	-	-	-
Total movement of administered funds	(5,281)	5,281	-	-	-
	2015-16	2016-17			
Average staffing level (number)	1,552	1,525			

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, resources received free of charge and audit fees.

(b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

Table 2.2.2: Performance criteria for Outcome 2

There are no changes to the performance criteria for Outcome 2 as reported in the 2016-17 PB Statements.

Section 3: Budgeted financial Statements

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

PM&C's budgeted financial statements have changed since the publication of the 2016-17 PB Statements as a result of the measures identified in Section 1.3, and variations in Section 1.4.

Departmental Financial Statements

The Department is budgeting for a break even position in 2016-17 and each forward year, after adjusting for depreciation expense. The Comprehensive Income Statement (Table 3.1) sets out the application of funding to ordinary operating expenses.

Revenue from Government for 2016-17 has increased by \$30.3 million since the PB Statements reflecting additional appropriation for the 2018 Special ASEAN-Australia Summit Taskforce, design of the Scheme to address Redress for Survivors of Institutional Child Sexual Abuse, negotiation of the Townsville City Deal and the reimbursement of a cash advance to the DTA for the Trusted Digital Identity initiative.

Administered Financial Statements

Administered expense has increased by \$10.4 million in 2016-17 to reflect \$5.1 million of additional funding for the Third Action Plan and \$5.3 million of funding brought forward from 2015-16 to support the activities of the Constitution Recognition Referendum Council. Grant expense has also increased in the forward years to include \$50.0 million over two years for the Smart Cities and Suburbs program.

3.1.2 Budgeted financial statements

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June.

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	269,825	255,108	248,530	247,610	245,118
Suppliers	132,006	151,697	125,485	121,705	120,668
Grants	450	402	402	402	402
Depreciation and amortisation	21,092	16,957	16,210	18,627	17,564
Finance costs	38	16	15	13	13
Write-down and impairment of assets	1,823	-	-	-	-
Losses from asset sales	506	-	-	-	-
Other expense	-	10,000	-	-	-
Total expenses	425,740	434,180	390,642	388,357	383,765
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	12,483	10,552	9,975	9,599	9,750
Other revenue	165	-	-	-	-
Total own-source revenue	12,648	10,552	9,975	9,599	9,750
Gains					
Other	2,725	2,177	2,014	2,030	2,046
Total gains	2,725	2,177	2,014	2,030	2,046
Total own-source income	15,373	12,729	11,989	11,629	11,796
Net (cost of)/contribution by services	(410,367)	(421,451)	(378,653)	(376,728)	(371,969)
Revenue from Government	384,202	404,494	362,443	358,101	354,405
Surplus/(deficit) attributable to the Australian Government	(26,165)	(16,957)	(16,210)	(18,627)	(17,564)

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Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June. (continued)

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	(26,165)	(16,957)	(16,210)	(18,627)	(17,564)
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	21,092	16,957	16,210	18,627	17,564
Total comprehensive income/(loss) - as per the statement of comprehensive income	(26,165)	(16,957)	(16,210)	(18,627)	(17,564)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,031	5,031	5,031	5,031	5,031
Trade and other receivables	102,041	101,740	101,052	103,167	103,465
Other financial assets	4,235	4,238	4,241	4,244	4,244
Total financial assets	111,307	111,009	110,324	112,442	112,740
Non-financial assets					
Land and buildings	80,188	79,061	78,135	70,866	68,666
Property, plant and equipment	10,619	8,049	8,739	15,243	14,162
Intangibles	18,677	23,260	23,582	22,537	23,916
Other non-financial assets	3,226	3,219	3,231	4,616	4,616
Total non-financial assets	112,710	113,589	113,687	113,262	111,360
Assets held for sale	9,454	9,454	9,454	9,454	9,454
Total assets	233,471	234,052	233,465	235,158	233,554
LIABILITIES					
Payables					
Suppliers	22,812	20,267	18,404	21,204	21,617
Grants	-	-	-	-	-
Other payables	18,801	17,826	16,385	14,431	14,431
Total payables	41,613	38,093	34,789	35,635	36,048
Provisions					
Employee provisions	76,251	77,083	77,258	77,499	77,384
Other provisions	1,108	975	916	819	819
Total provisions	77,359	78,058	78,174	78,318	78,203
Liabilities included in disposal groups held for sale					
Total liabilities	118,972	116,151	112,963	113,953	114,251
Net assets	114,499	117,901	120,502	121,205	119,303
EQUITY*					
Parent entity interest					
Contributed equity	152,923	173,266	188,331	207,996	223,658
Reserves	6,887	6,887	6,887	6,887	6,887
Retained surplus (accumulated deficit)	(45,311)	(62,252)	(74,716)	(93,678)	(111,242)
Total equity	114,499	117,901	120,502	121,205	119,303

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	(45,311)	6,887	152,923	114,499
Adjusted opening balance	(45,311)	6,887	152,923	114,499
Comprehensive income				
Other comprehensive income				-
Surplus/(deficit) for the period	(16,957)	-	-	(16,957)
Total comprehensive income	(16,957)	-	-	(16,957)
Transactions with owners				
Distributions to owners				
Returns on capital:				
Other	16	-	-	16
Contributions by owners				
Equity injection				-
Equity injection - Appropriation	-	-	8,611	8,611
Departmental capital budget (DCB)	-	-	11,732	11,732
Sub-total transactions with owners	16	-	20,343	20,359
Closing balance attributable to the Australian Government	(62,252)	6,887	173,266	117,901

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	404,470	400,105	358,867	343,070	354,703
Sale of goods and rendering of services	15,156	10,552	9,975	9,599	9,750
Net GST received	11,940	-	-	-	-
Total cash received	431,566	410,657	368,842	352,669	364,453
Cash used					
Employees	271,498	254,276	248,355	247,369	245,233
Suppliers	160,575	137,285	111,113	95,751	107,017
s 74 Retained revenue receipts transferred to OPA	14,894	10,549	9,972	9,596	9,750
Other	820	11,047	1,902	2,453	2,453
Total cash used	447,787	413,157	371,342	355,169	364,453
Net cash from/(used by) operating activities	(16,221)	(2,500)	(2,500)	(2,500)	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	3,212	2,500	2,500	2,500	-
Total cash received	3,212	2,500	2,500	2,500	-
Cash used					
Purchase of property, plant and equipment and intangibles	14,481	20,343	18,796	20,317	15,662
Other	85	-	-	-	-
Total cash used	14,566	20,343	18,796	20,317	15,662
Net cash from/(used by) investing activities	(11,354)	(17,843)	(16,296)	(17,817)	(15,662)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	20,543	20,343	18,796	20,317	15,662
Total cash received	20,543	20,343	18,796	20,317	15,662
Net cash from/(used by) financing activities	20,543	20,343	18,796	20,317	15,662
Net increase/(decrease) in cash held	(7,032)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	12,063	5,031	5,031	5,031	5,031
Cash and cash equivalents at the end of the reporting period	5,031	5,031	5,031	5,031	5,031

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	5,241	11,732	6,960	6,962	13,248
Equity injections - Bill 2	3,096	8,611	11,694	13,133	1,897
Total new capital appropriations	8,337	20,343	18,654	20,095	15,145
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	8,337	20,343	18,654	20,095	15,145
Total items	8,337	20,343	18,654	20,095	15,145
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	3,096	8,611	11,694	13,133	1,897
Funded by capital appropriation - DCB ^(b)	5,241	11,732	6,960	6,962	13,248
TOTAL	8,337	20,343	18,654	20,095	15,145
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	14,481	20,343	18,654	20,095	15,145
Total cash used to acquire assets	14,481	20,343	18,654	20,095	15,145

(a) Includes *Bill (No. 4) 2016-17, Appropriation Act (No. 2) 2016-17, Appropriation Act (No. 2) 2015-16, Appropriation Act (No. 1) 2015-16* and *Appropriation Act (No. 2) 2014-15* appropriations and special capital appropriations.

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

Table 3.6: Statement of asset movements (2016-17 Budget year)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	L&B, IP&E held for sale \$'000	Total \$'000
As at 1 July 2016						
Gross book value	12,629	68,804	12,195	20,892	9,455	123,975
Accumulated depreciation/amortisation and impairment	-	(1,245)	(1,576)	(2,216)	-	(5,037)
Opening net book balance	12,629	67,559	10,619	18,676	9,455	118,938
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)	-	7,552	1,059	-	-	8,611
By purchase - appropriation ordinary annual services ^(b)	-	2,820	1,895	7,017	-	11,732
Total additions	-	10,372	2,954	7,017	-	20,343
Other movements						
Depreciation/amortisation expense	-	(8,999)	(5,524)	(2,434)	-	(16,957)
Disposals ^(c)						-
From disposal of entities or operations (including restructuring)	-	(2,500)	-	-	-	(2,500)
Total other movements	-	(11,499)	(5,524)	(2,434)	-	(19,457)
As at 30 June 2017						
Gross book value	12,629	76,676	15,149	27,909	9,455	141,818
Accumulated depreciation/ amortisation and impairment	-	(10,244)	(7,100)	(4,650)	-	(21,994)
Closing net book balance	12,629	66,432	8,049	23,259	9,455	119,824

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through *Appropriation Act (No.2) 2016-17* and Bill (No.4) 2016-17, including *CDABs*.

(b) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No.1) 2016-17* and Bill (No.3) 2016-17 for depreciation expenses, DCBs or other operational expenses.

(c) Net proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	1,025	918	918	918	918
Suppliers	97,037	115,665	72,961	51,708	74,494
Subsidies	499	1,750	1,826	1,688	1,931
Grants	1,231,747	1,384,627	1,378,554	1,328,834	1,340,730
Depreciation and amortisation	373	131	131	144	144
Finance costs	14,303	422	391	373	341
Write-down and impairment of assets	8,054	-	-	-	-
Payments to corporate entities	120,727	92,752	116,210	116,576	117,189
Other expenses	163,431	127,707	130,207	123,544	119,315
Total expenses administered on behalf of Government	1,637,198	1,723,972	1,701,198	1,623,785	1,655,062
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Interest	76,117	81,734	83,197	84,262	85,132
Other revenue	24,255	1,724	1,763	1,806	1,850
Total non-taxation revenue	100,372	83,458	84,960	86,068	86,982
Total own-source revenue administered on behalf of Government	100,372	78,838	80,398	81,779	83,555
Total own-sourced income administered on behalf of Government	100,372	83,458	84,960	86,068	86,982
Net cost of/(contribution by) services	1,536,826	1,640,514	1,616,238	1,537,717	1,568,080
Total comprehensive income/(loss)	(1,536,826)	(1,640,514)	(1,616,238)	(1,537,717)	(1,568,080)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20,094	20,094	20,094	20,094	20,094
Trade and other receivables	63,862	114,530	113,186	105,044	94,757
Other investments	4,471,354	4,571,757	4,676,415	4,783,234	4,808,116
Total financial assets	4,555,310	4,706,381	4,809,695	4,908,372	4,922,967
Non-financial assets					
Land and buildings					
Property, plant and equipment	1,100	1,220	1,346	1,461	1,577
Other non-financial assets	9,690	10,060	9,860	9,176	9,176
Total non-financial assets	10,790	11,280	11,206	10,637	10,753
Total assets administered on behalf of Government	4,566,100	4,717,661	4,820,901	4,919,009	4,933,720
LIABILITIES					
Payables					
Suppliers	375	394	421	370	370
Grants	19,607	19,607	19,607	19,607	19,607
Other payables	21,092	21,965	21,342	19,149	19,149
Total payables	41,074	41,966	41,370	39,126	39,126
Provisions					
Employee provisions	355	355	355	355	355
Other provisions	16,224	15,162	14,167	12,963	15,704
Total provisions	16,579	15,517	14,522	13,318	16,059
Total liabilities administered on behalf of Government	57,653	57,483	55,892	52,444	55,185
Net assets/(liabilities)	4,508,447	4,660,178	4,765,009	4,866,565	4,878,535

Prepared on Australian Accounting Standards basis.

Table 3.9 Schedule of budgeted administered cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	115,256	-	-	-	-
Other	2,719	1,746	1,788	1,833	1,833
Total cash received	117,975	1,746	1,788	1,833	1,833
Cash used					
Grant	1,323,017	1,384,627	1,378,554	1,328,834	1,340,730
Subsidies paid	499	1,750	1,826	1,688	1,931
Suppliers	104,915	115,646	72,933	51,759	74,198
Employees	996	918	918	918	918
Payments to corporate entities	120,727	92,752	116,210	116,576	117,189
Other	163,429	127,177	129,349	126,346	112,778
Total cash used	1,713,583	1,722,870	1,699,790	1,626,121	1,647,744
Net cash from/(used by) operating activities	(1,595,608)	(1,721,124)	(1,698,002)	(1,624,288)	(1,645,911)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of investments	2,567,728	4,106,167	4,233,194	4,364,151	4,499,159
Interest	74,370	78,758	80,234	81,416	82,827
Repayments of advances and loans	-	4,206	4,251	10,305	12,592
Total cash received	2,642,098	4,189,131	4,317,679	4,455,872	4,594,578
Cash used					
Purchase of property, plant and equipment and intangibles	-	250	253	257	257
Loans to corporate entities	-	65,000	-	-	-
Investments	2,636,500	4,169,499	4,298,486	4,431,463	4,268,553
Other	36,550	-	-	-	-
Total cash used	2,673,050	4,234,749	4,298,739	4,431,720	4,268,810
Net cash from/(used by) investing activities	(30,952)	(45,618)	18,940	24,152	325,768
FINANCING ACTIVITIES					
Cash received					
Other	94	-	-	-	-
Total cash received	94	-	-	-	-
Net cash from/(used by) financing activities	94	-	-	-	-
Net increase/(decrease) in cash held	(1,626,466)	(1,766,742)	(1,679,062)	(1,600,136)	(1,320,143)

continued on next page.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June) (continued)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Cash and cash equivalents at beginning of reporting period	14,563	20,094	20,094	20,094	20,094
Cash from Official Public Account for:					
- Appropriations	1,773,175	1,772,592	1,684,912	1,611,884	1,333,857
- Special Accounts	33,644	-	-	-	-
Total cash from Official Public Account	1,806,819	1,772,592	1,684,912	1,611,884	1,333,857
Cash to Official Public Account for:					
- Appropriations	(141,103)	(5,850)	(5,850)	(11,748)	(13,714)
- Special Accounts	(33,719)	-	-	-	-
Total cash to Official Public Account	(174,822)	(5,850)	(5,850)	(11,748)	(13,714)
Cash and cash equivalents at end of reporting period	20,094	20,094	20,094	20,094	20,094

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	252	250	253	257	257
Total new capital appropriations	252	250	253	257	257
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	252	250	253	257	257
Total items	252	250	253	257	257
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB ^(a)	-	250	253	257	257
TOTAL	-	250	253	257	257
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	-	250	253	257	257
Total cash used to acquire assets	-	250	253	257	257

(a) Includes *Appropriation Act (No. 1) 2016-17* appropriations and special capital appropriations. Prepared on Australian Accounting Standards basis.

Table 3.11: Statement of administered asset movements (2016-17 Budget year)

	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2016		
Gross book value	2,159	2,159
Accumulated depreciation/amortisation and impairment	(1,059)	(1,059)
Opening net book balance	1,100	1,100
CAPITAL ASSET ADDITIONS		
Estimated expenditure on new or replacement assets		
By purchase - appropriation ordinary annual services ^(a)	250	250
Total additions	250	250
Other movements		
Depreciation/amortisation expense	(373)	(373)
Total other movements	(373)	(373)
As at 30 June 2017		
Gross book value	2,409	2,409
Accumulated depreciation/amortisation and impairment	(1,432)	(1,432)
Closing net book balance	977	977

(a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Act (No. 1) 2016-17* and *Bill (No.3) 2016-17* for depreciation expenses, ACBs or other operational expenses. Prepared on Australian Accounting Standards basis.

DIGITAL TRANSFORMATION AGENCY

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DIGITAL TRANSFORMATION AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Digital Transformation Agency's (DTA) vision is that everyone who needs to use government services should be able to find what they need to get it done quickly and easily. The DTA will deliver and assist government agencies to deliver simpler, clearer and faster services for all.

Under the Administrative Arrangements Order (AAO) of 27 October 2016, responsibilities for whole of government information and communications technology and information and communications technology procurement policy and services transferred from the Department of Finance to DTA. The strategic direction statement published in the 2016-17 Portfolio Budget Statements has been updated as set out below. The PAES also confirms decisions published in the Mid-Year Economic and Fiscal Outlook (MYEFO) 2016-17.

In 2016-17, the DTA will work towards its vision by focusing on:

- Delivering simpler and clearer government services and information for users, in particular through GOV.AU, an approach to the Australian government's web presence that will ensure users get what they need from government without having to understand how government works.
- Assisting agencies transform their digital services, in particular through co-working in our delivery hubs, assistance in meeting the digital service standard and public reporting against KPIs on a performance dashboard.
- Removing barriers to make it easier for businesses of all sizes access government ICT contracts and supporting government to become better digital and technology buyers, in particular through the digital marketplace
- Making it easier for people to prove that they are who they say they are when they access government services.
- Establish the whole-of-government Project Management Office and provide advice to government and Commonwealth entities on ICT investment, delivery and implementation of ICT policies.
- Providing leadership across the Australian government on service delivery.
- Providing advice to the Minister on all service delivery proposals.

Entity Additional Estimates Statements - DTA

In delivering this, we will focus on ensuring:

- A better experience for users
- Better value for money
- A more effective public service.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the Digital Transformation Agency at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through *Appropriation Bills (No. 3 and No. 4) 2016-17*.

Table 1.1: DTA resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	<i>Actual available appropriation</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Departmental				
Annual appropriations - ordinary annual services ^(a)				
Departmental appropriation ^(b)	30,525	34,706	13,586	48,292
s 74 retained revenue receipts ^(c)	-	-	19,354	19,354
Departmental capital budget ^(d)	1,500	-	-	-
<i>Total departmental annual appropriations</i>	32,025	34,706	32,940	67,646
Total resourcing for DTA	32,025	34,706	32,940	67,646
			<i>Actual 2015-16</i>	<i>2016-17</i>
Average staffing level (number)			37	115

Third party payments from and on behalf of other entities

	<i>Actual available appropriation</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimate 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above)	-	-	2,006	19,354

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

(a) Appropriation Act (No. 1) 2016-2017 and Appropriation Bill (No. 3) 2016-2017

(b) In 2016-17, the DTA received \$3.075 million under two section 75 determinations. This is made up of \$2.375 million for whole of government ICT policy and strategy and APS Capability from the Department of Finance and \$0.700 million for MyGov Strategy, Policy and User Experience from the Department of Human Services. Additionally, funding for measures (\$3.750m) was already provided for by the Government, but due to the absence of portfolio supplementary additional estimates in 2015-16, these funds were unable to be appropriated in 2015-16.

(c) Estimated retained revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in Appropriation Act (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2016-17 Budget with the affected program identified.

Table 1.2: Entity 2016-17 measures since Budget

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures					
Trusted Digital Identity funding	1.1				
Departmental expenses		6,761	-	-	-
Total		6,761	-	-	-
Total expense measures					
Departmental		6,761	-	-	-
Total		6,761	-	-	-

This measure was published in the 2016-17 MYEFO statement.
Prepared on a Government Financial Statistics (fiscal) basis.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the DTA at Additional Estimates. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Departmental					
Annual appropriations (net increase)					
Trusted Digital Identity funding	1.1	6,761	-	-	-
Changes in Parameters (net decrease)					
Changes in Price and Wage Indices	1.1	-	(126)	(145)	(195)
Application of Efficiency Dividend	1.1	-	(395)	(632)	(770)
Other Variations (net increase)					
Transfer from the Department of Finance ^(a)	1.1	2,375	4,111	4,095	4,093
Transfer from the Department of Human Services ^(b)	1.1	700	700	700	700
MyGov operations ^(c)	1.1	1,361	-	-	-
Trusted Digital Identity Framework ^(c)	1.1	2,389	-	-	-
Net impact on appropriations for Outcome 1 (departmental)		13,586	4,290	4,018	3,828
Total net impact on appropriations for Outcome 1		13,586	4,290	4,018	3,828

(a) Includes the transfer of the function for whole of government ICT policy and strategy and APS capability from the Department of Finance (2016-17: \$2.375m).

(b) Includes the transfer of the functions of MyGov Strategy, Policy and User Experience from the Department of Human Services (2016-17: \$0.700m).

(c) Funding for these measures has already been provided for by the Government, but due to the absence of portfolio supplementary additional estimates, these funds were unable to be appropriated in 2015-16.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programmes					
Outcome 1 - Digital Transformation Agency ^{(a) (b)}	32,025	41,531	48,292	6,761	-
Total departmental	32,025	41,531	48,292	6,761	-

(a) The 2016-17 Budget includes \$3.075m that DTA received under two section 75 determinations. This is made up of \$2.375 million for whole of government ICT policy and strategy and APS Capability from the Department of Finance and \$0.700 million for MyGov Strategy, Policy and User Experience from the Department of Human Services. This was not included in the original appropriation bill.

(b) Funding for measures (\$3.750m) was already provided for by the Government, but due to the absence of portfolio supplementary additional estimates in 2015-16, these funds were unable to be appropriated in 2015-16.

Table 1.5: Appropriation Bill (No. 4) 2016-17

Table 1.5 is not included as there have been no variations that affect *Appropriation Bill (No. 4) 2016-17*.

Section 2: Revisions to outcomes and planned performance

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

There are no changes to the outcome and program structures as reported in the 2016-17 PB Statements.

Outcome 1: To improve the user experience for all Australians accessing government information and services by leading the design, development and continual enhancement of whole-of-government service delivery policies and standards, platforms and joined up services.

Budgeted expenses for Outcome 1

This table shows how much the DTA intends to spend (on an accrual basis) on achieving the outcome.

Table 2.1.1 Budgeted expenses for Outcome 1

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: The Digital Transformation Agency					
Departmental expenses					
Departmental appropriations	30,525	48,292	30,369	29,199	29,487
s 74 Retained revenue receipts ^(a)	-	19,354	2,189	2,171	2,170
Expenses not requiring appropriation in the Budget year ^(b)	498	208	177	150	128
Departmental total	31,023	67,854	32,735	31,520	31,785
Total expenses for program 1.1	31,023	67,854	32,735	31,520	31,785

	2015-16	2016-17
Average staffing level (number) ^(c)	37	115

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses.

(c) The ASL figure currently reported for 2016-17 comprises the original 2016-17 estimate and the ASL associated with the recent transfer of function from the Department of Finance.

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

Entity Additional Estimates Statements - DTA

Table 2.1.2: Performance criteria for Outcome 1

There are no changes to the performance criteria for Outcome 1 as reported in the 2016-17 PB Statements.

Section 3: Budgeted financial Statements

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

The DTA is budgeting for a break even position in 2016-17 and each forward year, after adjusting for depreciation expense. The Comprehensive Income Statement (Table 3.1) sets out the application of funding to ordinary operating expenses.

Revenue from Government for 2016-17 has increased by \$13.6 million since the 2016-17 Portfolio Budget Statements, reflecting two measures previously provided for but unable to be appropriated in 2015-16, an additional appropriation for Trusted Digital Identity funding and two section 75 determinations for whole of government ICT policy & strategy and APS Capability (from the Department of Finance), and the MyGov Strategy, Policy and User Experience (from the Department of Human Services).

3.1.2 Budgeted financial statements

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June.

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	11,547	15,424	15,365	15,483	15,594
Suppliers	15,509	52,407	17,378	16,072	16,248
Depreciation and amortisation	848	208	177	150	128
Write-down and impairment of assets	957	-	-	-	-
Total expenses	28,861	68,039	32,920	31,705	31,970
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	-	19,354	2,189	2,171	2,170
Other revenue	261	-	-	-	-
Total own-source revenue	261	19,354	2,189	2,171	2,170
Gains					
Other	-	185	185	185	185
Total gains	-	185	185	185	185
Total own-source income	261	19,539	2,374	2,356	2,355
Net cost of (contribution by) services	(28,600)	(48,500)	(30,546)	(29,349)	(29,615)
Revenue from Government	30,525	48,292	30,369	29,199	29,487
Surplus/(deficit) attributable to the Australian Government	1,925	(208)	(177)	(150)	(128)
Total comprehensive income/(loss)	1,925	(208)	(177)	(150)	(128)
Total comprehensive income/(loss) attributable to the Australian Government	1,925	(208)	(177)	(150)	(128)
Note: Impact of net cash appropriation arrangements					
	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	1,925	(208)	(177)	(150)	(128)
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)					
Total comprehensive income/(loss) - as per the Comprehensive Income Statement	1,925	(208)	(177)	(150)	(128)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	145	395	395	395	395
Trade and other receivables	786	778	784	826	815
Other financial assets	9,665	13,016	13,016	13,016	13,014
Total financial assets	10,596	14,189	14,195	14,237	14,224
Non-financial assets					
Land and buildings	1,181	1,181	1,181	1,181	1,181
Property, plant and equipment	852	209	32	(118)	(246)
Intangibles	364	195	195	195	195
Other non-financial assets	348	550	505	495	497
Total non-financial assets	2,745	2,135	1,913	1,753	1,627
Assets held for sale					
Total assets	13,341	16,324	16,108	15,990	15,851
LIABILITIES					
Payables					
Suppliers	5,926	4,956	5,123	5,296	5,486
Personnel benefits	-	81	81	81	81
Other payables	100	53	(171)	(332)	(550)
Total payables	6,026	5,090	5,033	5,045	5,017
Provisions					
Employee provisions	1,573	1,950	1,968	1,988	2,007
Other provisions	325	325	325	325	325
Total provisions	1,898	2,275	2,293	2,313	2,332
Total liabilities	7,924	7,365	7,326	7,358	7,349
Net assets	5,417	8,959	8,782	8,632	8,502
EQUITY*					
Parent entity interest					
Contributed equity	3,492	3,492	3,492	3,492	3,492
Retained surplus/(accumulated deficit)	1,925	5,467	5,290	5,140	5,010
Total parent entity interest	5,417	8,959	8,782	8,632	8,502
Total Equity	5,417	8,959	8,782	8,632	8,502

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2016			
Balance carried forward from previous period	1,925	3,492	5,417
Adjusted opening balance	1,925	3,492	5,417
Comprehensive income			
Surplus/(deficit) for the period	(208)	-	(208)
Total comprehensive income	(208)	-	(208)
Contributions by owners			
Other ^(a)	3,750	-	3,750
Sub-total transactions with owners	3,750	-	3,750
Estimated closing balance as at 30 June 2017	5,467	3,492	8,959
Closing balance attributable to the Australian Government	5,467	3,492	8,959

(a) The Digital Transformation Agency is due to receive \$3.750m in cash in financial year 2016-17 which was appropriated in financial year 2015-16.
Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	21,259	49,320	30,369	29,199	29,230
Receipts from Government	-	17,348	-	-	-
Sale of goods and rendering of services	-	2,006	2,189	2,171	2,170
Net GST received	778	-	-	-	235
Total cash received	22,037	68,674	32,558	31,370	31,635
Cash used					
Employees	10,575	15,047	15,347	15,463	15,575
Suppliers	9,847	53,377	17,211	15,899	16,058
Other	-	-	-	8	2
Total cash used	20,422	68,424	32,558	31,370	31,635
Net cash from/(used by) operating activities	1,615	250	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	2,970	-	-	-	-
Total cash used	2,970	-	-	-	-
Net cash from/(used by) investing activities	(2,970)	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,500	-	-	-	-
Total cash received	1,500	-	-	-	-
Net cash used by financing activities	1,500	-	-	-	-
Net increase/(decrease) in cash held	145	250	-	-	-
Cash and cash equivalents at the beginning of the reporting period	-	145	395	395	395
Cash and cash equivalents at the end of the reporting period	145	395	395	395	395

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 (DCB)	1,500	-	-	-	-
Total new capital appropriations	1,500	-	-	-	-
Provided for:					
<i>Purchase of non-financial assets</i>	1,500	-	-	-	-
Total Items	1,500	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB	1,500	-	-	-	-
Funded internally from departmental resources	1,470	-	-	-	-
TOTAL AMOUNT SPENT	2,970	-	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,970	-	-	-	-
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	2,970	-	-	-	-

Table 3.6: Statement of asset movements (2016-17 Budget year)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2016				
Gross book value	1,362	607	672	2,641
Accumulated depreciation/amortisation and impairment	(181)	(190)	(477)	(848)
Opening net book balance	1,181	417	195	1,793
Other movements				
Depreciation/amortisation expense	-	(208)	-	(208)
Total other movements	-	(208)	-	(208)
As at 30 June 2017				
Gross book value	1,362	607	672	2,641
Accumulated depreciation/amortisation and impairment	(181)	(398)	(477)	(1,056)
Closing net book balance	1,181	209	195	1,585

Prepared on Australian Accounting Standards basis.

OFFICE OF THE COMMONWEALTH OMBUDSMAN

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OFFICE OF THE COMMONWEALTH OMBUDSMAN

Section 1: Entity overview and resources

The Office of the Commonwealth Ombudsman (OCO) has not changed its outcome or performance information as a result of the 2016-17 Additional Estimates.

Since the 2016-17 Budget, the Government has established a new VET Student Loans program to replace the current VET-FEE-HELP scheme from 1 January 2017 to ensure that vocational education and training loans are student-focused and appropriately targeted to industry. The measure “VET Student Loans – establishment” announced in MYEFO included funding to establish a VET Student Loans Ombudsman within the Office of the Commonwealth Ombudsman to manage and investigate complaints and improve the complaint handling processes of registered training organisations. The overall impact of change on the OCO is an increase in departmental appropriation in 2016-17 of \$0.9 million.

The Government announced in September 2016, that the role of the Defence Force Ombudsman (DFO) will expand to provide an independent Defence abuse reporting function. The OCO’s expanded role commenced on 1 December 2016. The overall impact of change on the OCO is an increase in departmental revenue in 2016-17 of \$10.0 million, which is being funded by the Department of Defence.

1.1 STRATEGIC DIRECTION STATEMENT

The OCO’s strategic direction has not changed from those published in the PB Statements 2016-17.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the OCO at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through *Appropriation Bill (No. 3)*.

Table 1.1: OCO resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	<i>Actual available appropriation</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Departmental				
Annual appropriations - ordinary annual services ^(a)	24,069	20,105	852	20,957
Prior year appropriations available ^(b)	9,585	8,983	-	8,983
Departmental appropriations 74 retained revenue receipts ^(c)	2,612	13,066	-	13,066
Departmental capital budget ^(d)	1,181	828	-	828
<i>Total departmental annual appropriations</i>	37,447	42,982	852	43,834
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	-	-	-	-
Total departmental resourcing	37,447	42,982	852	43,834
Total resourcing for OCO	37,447	42,982	852	43,834
			<i>Actual 2015-16</i>	2016-17
Average staffing level (number)			152	200

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

- (a) Appropriation Act (No. 1) 2016-2017 and Appropriation Bill (No. 3) 2016-2017
- (b) Excludes \$0.01m subject to administrative quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).
- (c) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in Appropriation Act (No.1) and form part of ordinary annual services items. Please refer to Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2016-17 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2016-17 measures since Budget

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures					
VET Student Loans - establishment ^(a)	1.1				
Administered expenses		-	-	-	-
Departmental expenses		859	2,419	2,375	2,148
Total		859	2,419	2,375	2,148
Total expense measures					
Administered		-	-	-	-
Departmental		859	2,419	2,375	2,148
Total		859	2,419	2,375	2,148

Prepared on a Government Financial Statistics (fiscal) basis.

(a) The lead entity for measure VET Students Loans – establishment is the Department of Education and Training. The full measure description and package details appear in MYEFO under the Education and Training portfolio.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the OCO at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in *Appropriation Bills No. 3*.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Departmental					
Annual Appropriations					
VET Student Loans - establishment	1.1	859	2,419	2,375	2,148
Changes in Parameters					
Price & Wages Indicies	1.1	-	(59)	(78)	(116)
Other Variations					
Efficiency Dividend	1.1	-	(305)	(508)	(610)
Govlink Contract	1.1	(7)	(10)	(10)	(10)
Net impact on appropriations for Outcome 1 (departmental)		852	2,045	1,779	1,412
Total net impact on appropriations for Outcome 1		852	2,045	1,779	1,412

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 <i>Available</i> \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programmes					
Outcome 1 - Office of the Commonwealth Ombudsman	25,250	20,933	20,957	859	(7)
Total departmental	25,250	20,933	20,957	859	(7)

Table 1.5: Appropriation Bill (No. 4) 2016-17

Table 1.5 is not included as there have been no variations that affect *Appropriation Bill (No. 4) 2016-17*.

Section 2: Revisions to outcomes and planned performance

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

The OCO has had no changes to the outcome and program structures since the 2016-17 Budget.

Outcome 1: Fair and accountable administrative action by Australian Government agencies by investigating complaints, reviewing administrative action and inspecting statutory compliance by law enforcement agencies.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1 Budgeted expenses for Outcome 1

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Office of the Commonwealth Ombudsman					
Departmental expenses					
Departmental appropriation	20,858	20,957	22,192	22,024	21,746
s 74 Retained revenue receipts ^(a)	2,559	13,066	2,344	1,665	1,422
Expenses not requiring appropriation in the Budget year ^(b)	948	1,148	975	1,003	1,023
Departmental total	24,365	35,171	25,511	24,692	24,191
Total expenses for program 1.1	24,365	35,171	25,511	24,692	24,191
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	20,858	20,957	22,192	22,024	21,746
s 74 Retained revenue receipts ^(a)	2,559	13,066	2,344	1,665	1,422
Expenses not requiring appropriation in the Budget year ^(b)	948	1,148	975	1,003	1,023
Departmental total	24,365	35,171	25,511	24,692	24,191
Total expenses for Outcome 1	24,365	35,171	25,511	24,692	24,191

	2015-16	2016-17
Average staffing level (number)	152	200

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It is to be used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

<p>Outcome 1 – Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.</p>		
<p>Program 1.1 – Office of the Commonwealth Ombudsman</p> <p>Program 1.1 Objectives</p> <p>The objectives of this programme are to:</p> <ul style="list-style-type: none"> • provide <i>assurance</i> that the Australian Government entities and prescribed private sector organisations that the OCO oversights act with <i>integrity</i> and treat people fairly, and • <i>influence</i> enduring systemic <i>improvement</i> in public administration in Australia and the region. 		
<p>Delivery</p>	<ul style="list-style-type: none"> • identifying and reporting on systemic issues in public administration, including making recommendations • influencing Australian Government entities, prescribed private sector organisations and our regional partners to improve complaint handling systems and administration of programs through stakeholder engagement and guidance • assisting regional partners consistent with the Australian Aid priorities • ensuring OCO's complaint handling service is delivered within its service standards • ensuring office statutory requirements in relation to oversight of entities and prescribed private sector organisations compliance with legislation and policy in the use of selected intrusive or coercive powers are met • inspecting and reporting on entity and private sector organisation compliance with accountability principles and policy requirements • ensuring office statutory requirements in relation to Commonwealth public interest disclosures are met • providing consumers with accurate and up to date private health insurance information. 	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria ^(a)</p>	<p>Targets</p>
<p>2016-17</p>	<ol style="list-style-type: none"> 1. <i>Percentage of recommendations/suggestions made during an inspection for which progress has been followed up within 12 months of it being made.</i> 2. <i>Percentage of recommendations made in public reports accepted by entities.</i> 3. <i>Percentage of reports on long term detention cases sent to the Minister</i> 	<p><i>Target 100% of recommendations / suggestions followed up within 12 months.</i></p> <p>Target 75% of recommendations made in public reports accepted by entities.</p> <p><i>Target 80% of reports on long term detention cases sent to</i></p>

<p>Outcome 1 – Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.</p>		
<p>Program 1.1 – Office of the Commonwealth Ombudsman</p> <p>Program 1.1 Objectives</p> <p>The objectives of this programme are to:</p> <ul style="list-style-type: none"> • provide <i>assurance</i> that the Australian Government entities and prescribed private sector organisations that the OCO overlooks act with <i>integrity</i> and treat people fairly, and • <i>influence</i> enduring systemic <i>improvement</i> in public administration in Australia and the region. 		
	<p><i>within 12 months of the review being received from the Department.</i></p> <p>4. Percentage of post-visit reports issued to the Department within 90 business days of the inspection being completed.</p> <p>5. Percentage of stakeholders which participated in engagement activities who provided an average of 'satisfied' or 'very satisfied' rating in feedback forms/surveys.</p> <p>6. Percentage of outputs delivered under the Australian Aid arrangements.</p> <p>7. Percentage of reporting requirements met under the Australian Aid arrangements.</p> <p>8. Percentage of approaches finalised within the office's service standards.</p> <p>9. Percentage of office statutory requirements in relation to law enforcement met.</p> <p>10. Percentage of office statutory requirements in relation to Commonwealth public interest disclosures met.</p> <p>11. Percentage of public users who completed the survey for Privatehealth.gov.au who provided a 'satisfied' or 'very satisfied' response regarding the quality of information</p>	<p><i>the Minister within 12 months of review being received from the Department.</i></p> <p>Target 80% of post-visit reports are issued to the Department within 90 business days of inspection completion.</p> <p>Target 90% of stakeholders participating in engagement activities provide an average of 'satisfied' or 'very satisfied' in feedback forms/surveys.</p> <p>Target 80% of outputs delivered under Australian Aid arrangements.</p> <p>Target 100% of reporting requirements met under Australian Aid arrangements</p> <p>Target 85% of approaches are finalised within the office's service standards.</p> <p>Target 100% of office statutory requirements in relation to law enforcement are met.</p> <p>Target 100% of office statutory requirements in relation to Commonwealth public interest disclosure are met.</p> <p>Target 80% of public users who completed the Privatehealth.gov.au survey provide a 'satisfied' or 'very</p>

Entity Additional Estimates Statements – OCO

<p>Outcome 1 – Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.</p>		
<p>Program 1.1 – Office of the Commonwealth Ombudsman</p> <p>Program 1.1 Objectives</p> <p>The objectives of this programme are to:</p> <ul style="list-style-type: none"> • provide <i>assurance</i> that the Australian Government entities and prescribed private sector organisations that the OCO oversees act with <i>integrity</i> and treat people fairly, and • <i>influence</i> enduring systemic <i>improvement</i> in public administration in Australia and the region. 		
	provided by the website.	satisfied' response regarding quality of information.
2017-18 and beyond	As per 2016-17	As per 2016-17
Purposes	To provide assurance that the organisations we oversight act with integrity and treat people fairly and to influence systemic improvement in public administration in Australia and the region.	

(a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.

Section 3: Budgeted financial Statements

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

Departmental revised income for 2016-17 is estimated at \$34.0 million, an increase of \$10.9 million since the Budget. This increase in revenue comprises \$0.9 million in additional revenue from government as outlined in section 1.3 and \$10.0 million in own source revenue mainly related to the expanded DFO function.

The \$10.9 million increase in revenue is offset by an increase in expenses, which leaves the breakeven operating result attributable to the OCO unchanged since Budget.

3.1.2 Budgeted financial statements

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June.

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	16,748	25,337	17,841	17,348	17,079
Suppliers	6,716	8,739	6,748	6,394	6,142
Depreciation and amortisation	895	1,095	922	950	970
Losses from asset sales	6	-	-	-	-
Total expenses	24,365	35,171	25,511	24,692	24,191
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,559	13,066	2,344	1,665	1,422
Total own-source revenue	2,559	13,066	2,344	1,665	1,422
Gains					
Other	53	53	53	53	53
Total gains	53	53	53	53	53
Total own-source income	2,612	13,119	2,397	1,718	1,475
Net cost of (contribution by) services	(21,753)	(22,052)	(23,114)	(22,974)	(22,716)
Revenue from Government	20,780	20,957	22,192	22,024	21,746
Surplus/(deficit) attributable to the Australian Government	(973)	(1,095)	(922)	(950)	(970)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	31	-	-	-	-
Total other comprehensive income	31	-	-	-	-
Total comprehensive income/(loss)	(942)	(1,095)	(922)	(950)	(970)
Total comprehensive income/(loss) attributable to the Australian Government	(942)	(1,095)	(922)	(950)	(970)

continued on next page.

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June. (continued)

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	(47)	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	895	1,095	922	950	970
Total comprehensive income/(loss) - as per the Comprehensive Income Statement	(942)	(1,095)	(922)	(950)	(970)

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	154	154	154	154	154
Trade and other receivables	9,572	9,133	8,993	8,643	8,427
Other financial assets	547	531	531	531	531
Total financial assets	10,273	9,818	9,678	9,328	9,112
Non-financial assets					
Property, plant and equipment	2,436	2,286	2,328	2,311	2,317
Intangibles	755	638	494	377	216
Other non-financial assets	288	244	209	209	209
Total non-financial assets	3,479	3,168	3,031	2,897	2,742
Assets held for sale					
Total assets	13,752	12,986	12,709	12,225	11,854
LIABILITIES					
Payables					
Suppliers	420	400	394	381	376
Other payables	3,198	2,857	2,614	2,327	2,011
Total payables	3,618	3,257	3,008	2,708	2,387
Provisions					
Employee provisions	4,122	4,122	4,187	4,212	4,248
Other provisions	188	120	120	7	7
Total provisions	4,310	4,242	4,307	4,219	4,255
Total liabilities	7,928	7,499	7,315	6,927	6,642
Net assets	5,824	5,487	5,394	5,298	5,212
EQUITY*					
Parent entity interest					
Contributed equity	8,006	8,834	9,654	10,470	11,285
Reserves	1,243	1,243	1,243	1,243	1,243
Retained surplus/(accumulated deficit)	(3,425)	(4,590)	(5,503)	(6,415)	(7,316)
Total parent entity interest	5,824	5,487	5,394	5,298	5,212
Total Equity	5,824	5,487	5,394	5,298	5,212

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2016					
Balance carried forward from previous period	(3,425)	1,243	-	8,006	5,824
Adjusted opening balance	(3,425)	1,243	-	8,006	5,824
Comprehensive income					
Other comprehensive income					-
Surplus/(deficit) for the period	(1,095)	-	-	-	(1,095)
Total comprehensive income	(1,095)	-	-	-	(1,095)
of which:					
Attributable to the Australian Government	(1,095)	-	-	-	(1,095)
Transactions with owners					
Distributions to owners					
Departmental Capital Budget (DCB)	-	-	-	828	828
Other	(70)	-	-	-	(70)
Sub-total transactions with owners	(70)	-	-	828	758
Transfers between equity components					-
Estimated closing balance as at 30 June 2017	(4,590)	1,243	-	8,834	5,487
Closing balance attributable to the Australian Government	(4,590)	1,243	-	8,834	5,487

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	20,407	21,395	22,331	22,373	21,961
Sale of goods and rendering of services	2,693	13,066	2,344	1,664	1,422
Net GST received	(7)	1	1	2	1
Other	29	(201)	(13)	32	69
Total cash received	23,122	34,261	24,663	24,071	23,453
Cash used					
Employees	17,135	25,347	17,776	17,323	17,043
Suppliers	6,487	8,846	6,887	6,635	6,410
Total cash used	23,943	34,193	24,663	23,958	23,453
Net cash from/(used by) operating activities	(821)	68	-	113	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	1,181	828	820	816	815
Total cash used	1,181	828	820	816	815
Net cash from/(used by) investing activities	(1,181)	(828)	(820)	(816)	(815)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,181	828	820	816	815
Total cash received	1,181	828	820	816	815
Cash used					
Net cash used by financing activities	1,181	828	820	816	815
Net increase/(decrease) in cash held	(821)	68	-	113	-
Cash and cash equivalents at the beginning of the reporting period	975	154	222	222	335
Cash and cash equivalents at the end of the reporting period	154	222	222	335	335

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 (DCB)	1,181	828	820	816	815
Total new capital appropriations	1,181	828	820	816	815
Provided for:					
<i>Purchase of non-financial assets</i>	1,181	828	820	816	815
Total Items	1,181	828	820	816	815
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)	1,181	828	820	816	815
TOTAL AMOUNT SPENT	1,181	828	820	816	815
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,181	828	820	816	815
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	1,181	828	820	816	815

(a) Includes both current and prior Bill No. 4 and prior Act No. 2 4/6 appropriations and special capital appropriations.

Table 3.6: Statement of asset movements (2016-17 Budget year)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2016			
Gross book value	3,756	2,608	6,364
Accumulated depreciation/amortisation and impairment	(1,320)	(1,853)	(3,173)
Opening net book balance	2,436	755	3,191
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services ^(a)	532	296	828
Total additions	532	296	828
Other movements			
Depreciation/amortisation expense	(682)	(413)	(1,095)
Total other movements	(682)	(413)	(1,095)
As at 30 June 2017			
Gross book value	4,288	2,904	7,192
Accumulated depreciation/amortisation and impairment	(2,002)	(2,266)	(4,268)
Closing net book balance	2,286	638	2,924

(a) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No.1) 2016-17* and *Bill (No.3) 2016-17* for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

PORTFOLIO GLOSSARY

Term	Meaning
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Actual available appropriation	The actual available appropriation indicates the total appropriations available to the entity for 2015-16 as at the 2016-17 Budget. It includes all appropriations made available to the entity in the year (+/- Section 75 transfers, formal reductions, advance to the Finance Minister and movements of funds). It is the same as the comparator figure included in the Appropriation Bills and, as such, provides a comparison with the appropriation proposed for the Budget year.
Administered item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the Consolidated Revenue Fund (CRF) at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.
Appropriation	An amount of public money parliament authorises for spending (i.e. funds to be withdrawn from the CRF). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes in the Appropriation Acts.
Appropriation Bill (No. 1)	This Bill proposes spending from the CRF for the ordinary annual services of government. Bills proposing appropriations for ordinary annual services cannot be amended by the Senate under Section 53 of the Australian Constitution. Once the Bill is passed by Parliament and given Royal Assent, it becomes Appropriation Act (No. 1).

Glossary and Acronyms

Term	Meaning
Appropriation Bill (No. 2)	This Bill proposes spending from the CRF for purposes other than the ordinary annual services of government. Under existing arrangements between the two Houses of Parliament, this Bill includes appropriation funding of administered expenses for new outcomes, for payments to the states and territories, and for departmental or administered capital. Funding for extensions to existing programs can be included in Appropriation Bill (No. 1). Once the Bill is passed by Parliament and given Royal Assent, it becomes Appropriation Act (No. 2).
Appropriation Bills (Nos. 3 and 4)	If an amount provided in Appropriation Acts (Nos. 1 or 2) is not enough to meet approved expenditure in a financial year, supplementary appropriation may be sought in Appropriation Bills (Nos. 3 or 4). Once these Bills are passed by Parliament and given royal assent, they become the Appropriation Acts (Nos. 3 and 4). They are also commonly referred to as the Additional Estimates Bills.
Assets	Future economic benefits controlled by an entity as a result of past transactions or other past events.
Average staffing level	The average number of employees receiving salary/wages (or compensation in lieu of salary/wages) over a financial year, with adjustments for casual and part-time employees to show the full-time equivalent.
Budget Paper 1 (BP1)	Budget Strategy and Outlook. Provides information and analysis on whole-of-government expenditure and revenue.
Budget Paper 2 (BP2)	Budget Measures. Provides a description of each budget measure by portfolio.
Budget Paper 3 (BP3)	Australia's Federal Relations. Provides information and analysis on federal funding provided to the states and territories.
Budget Paper 4 (BP4)	Entity Resourcing. Details total resourcing available to agencies.
Capital Expenditure	Expenditure by an entity on capital projects; for example, purchasing a building.

Term	Meaning
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.
Departmental Capital Budget (DCB)	Net cash appropriation arrangements involve the cessation of funding for depreciation, amortisation and make good expenses. Funding for these expenses has been replaced with a collection development and acquisition budget (CDAB) for designated collection institutions (DCIs), and departmental capital budgets (DCBs).
Departmental item	Resources (assets, liabilities, revenues and expenses) that entity chief executive officers control directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Entity	A department, agency, company or authority under the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) or any other Commonwealth statutory authority.
Estimated actual expenses	Details of the current year's estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.
Expenditure	Spending money from the Consolidated Revenue Fund or a notional payment to a PGPA entity.

Glossary and Acronyms

Term	Meaning
Expense	Decreases in economic benefits in the form of outflows or depletions of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are not included within the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed; for example, ANAO audit services. The ANAO does not charge for audit services; however, the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament.
Forward estimates period	The three years following the Budget year. For example if 2015-16 is the Budget year, 2016-17 is forward year 1, 2017-18 is forward year 2 and 2018-19 is forward year 3. This period does not include the current or Budget year.
Funds	Money that has been appropriated but not drawn from the Consolidated Revenue Fund.
Income	Total value of resources earned or received to cover the production of goods and services.
Make good	Make good is the cost of dismantling and removing an item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. A common example of make good in the public sector is the restoration of office premises at the end of a lease period.
Measure	A new policy or savings decision of the government with financial impacts on the government's underlying cash balance, fiscal balance, operating balance, headline cash balance, net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, and in the Mid-Year Economic and Fiscal Outlook (MYEFO).

Term	Meaning
Mid-Year Economic and Fiscal Outlook (MYEFO)	The MYEFO provides an update of the government's budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government's fiscal performance against the fiscal strategy set out in its current fiscal strategy statement.
'Movement of Funds' between years	A 'movement of funds' process is carried out twice each year in relation to un-expensed administered operating appropriations. This involves portfolio ministers submitting requests to the Finance Minister advising of timing changes to funding requirements. If agreed by the Finance Minister, there will be an increase in the amount appropriated in later year(s).
Net cash framework	<p>The net cash framework, implemented from the 2010-11 Budget, replaces funding for depreciation and amortisation expenses with a departmental capital budget (DCB) and the funding of make good expenses will cease to be paid in advance.</p> <p>The net cash framework applies to general government sector entities that receive funding from annual appropriations directly or via a special account, with the exception of the Department of Defence.</p>
Non-operating	Sometimes called 'capital' costs.
Official Public Account (OPA)	The OPA is the Australian Government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund.
Operating	Normally related to ongoing, or recurring expenses, such as paying salaries or making program payments.
Operating result	Equals income less expenses.
Outcome	An outcome is the intended result, consequence or impact of government actions on the Australian community.

Glossary and Acronyms

Term	Meaning
<i>Public Governance, Performance and Accountability Act 2013 (PGPA Act)</i>	The PGPA Act is the principal legislation concerning the governance, performance and accountability of, and the use and management of public resources by the Commonwealth.
Portfolio Budget Statements	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each entity within a portfolio.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program support	The entity running costs allocated to a program. This is funded as part of the entity's departmental appropriations.
Special account	Balances existing within the CRF that are supported by standing appropriations, PGPA Act s.78, s.79 and s.80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a special account can only be spent for the purposes of the special account. Special accounts can only be established by a written determination of the Finance Minister (s. 78 of the PGPA Act) or through an Act of Parliament (referred to in s. 80 of the PGPA Act).
Special appropriations (including standing appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the CRF does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a subcategory consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>

FREQUENTLY USED ACRONYMS

ABA	Aboriginals Benefit Account
AAO	Administrative Arrangements Order
AAS	Australian Accounting Standards
ACB	Administered Capital Budget
AGD	Attorney General's Department
AGE	Australian Government Employee
AGIE	Australian Government Indigenous Expenditure
AHL	Aboriginal Hostels Limited
ALC	Anindilyakwa Land Council
ALRA	<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>
ANAO	Australian National Audit Office
ATSI Act	<i>Aboriginal and Torres Strait Islander Act 2005</i>
APS	Australian Public Service
APSC	Australian Public Service Commission
CDAB	Collection Development and Acquisition Budget
CDB	Collection Development Budget
CDEP	Community Development Employment Projects
CEO	Chief Executive Officer
CLC	Central Land Council
COAG	Council of Australian Governments
CRF	Consolidated Revenue Fund

Glossary and Acronyms

DCB	Departmental Capital Budget
DHS	Department of Human Services
DTA	Digital Transformation Agency
DSS	Department of Social Services
FOI	Freedom of Information
G20	Group of 20 Meeting
GFS	Government Finance Statistics
IBA	Indigenous Business Australia
ILC	Indigenous Land Corporation
KPI	Key Performance Indicator
MOU	Memorandum of Understanding
MYEFO	Mid-Year Economic and Fiscal Outlook
NADC	National Australia Day Council
NLC	Northern Land Council
OBS	Outback Stores Pty Ltd
OCO	Office of the Commonwealth Ombudsman
OIGIS	Office of the Inspector-General of Intelligence and Security
ONA	Office of National Assessments
OOSGG	Office of the Official Secretary to the Governor-General
OPA	Official Public Account
OTM	Other Trust Monies
PBC	Prescribed Bodies Corporate under the <i>Native Title Act 1993</i> and the <i>Native Title (Prescribed Bodies Corporate) Regulations 1999</i>

Glossary and Acronyms

PGPA Act 2013	<i>Public Governance, Performance and Accountability Act 2013</i>
PM&C	Department of Prime Minister and Cabinet
S74	Section 74 Retained Revenue Receipts (PGPA Act)
SOETM	Services for Other Entities and Trust Monies special accounts
TLC	Tiwi Land Council
TSRA	Torres Strait Regional Authority
WBACC	Wreck Bay Aboriginal Community Council