

Portfolio Additional Estimates Statements 2017-18

Prime Minister and Cabinet Portfolio

Explanations of Additional Estimates 2017-18

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SENATOR THE HON JAMES MCGRATH
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 2017-18 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 blue ink, appearing to read 'Ja.' with a period at the end.

JAMES MCGRATH

01/02/2018

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nfp	not for publication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 the Chief Finance 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 2017-18 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3 and 4)* and *Appropriation (Parliamentary Departments) Bill (No. 2) 2017-2018*. 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) 2017-18* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio overview

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

Entity Additional Estimates Statements

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

Section 1: Entity overview and resources	This section details the changes in total resources available to an entity, the impact of any measures since Budget, and impact of Appropriation Bills Nos. 3 and 4.
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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.
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Section 3: Special account flows and budgeted financial statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
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Portfolio glossary

Explains key terms relevant to the Portfolio.

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PORTFOLIO OVERVIEW

PRIME MINISTER AND CABINET PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

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 of:

- 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
- international and national security
- 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
- 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.

Portfolio Overview

The Portfolio comprises 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 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). 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.

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*. 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 entity 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 influences improvement in public administration in the region through collaboration with partner agencies. The Commonwealth Ombudsman is the Defence Force, Immigration, Law Enforcement, Postal Industry, Overseas Students, Vocational Education and Training Student Loans, 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 which supports the Governor-General in the performance of his/her responsibilities and is subject to the PGPA Act. The position of the Official Secretary to the Governor-General (the Official Secretary) has existed since 1901. The OOSGG was established in December 1984 by amendment to the *Governor-General Act 1974*.

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.

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 2017-18 PM&C PAES provide an update to Parliament on entity expenditure estimates for the 2017-18 Budget year and reflect changes since the Budget. The PAES is a supplement to the Portfolio Budget Statements (PB Statements) explaining subsequent changes to Budget estimates as they appear in the Additional Estimates Appropriation Bills. Only entities with additional appropriations in the Appropriation Bills (Nos. 3 and 4) must produce a 2017-18 PAES to explain their request for additional appropriations.

The entities within the PM&C portfolio that are receiving additional appropriation in Appropriation Bills (Nos. 3 and 4) 2017-18 and have a chapter in this PAES are:

- The Office of National Assessments
- The Office of the Inspector-General of Intelligence and Security
- The Office of the Official Secretary to the Governor-General.

Changes to resourcing since the 2017-18 Budget for entities which are not required to produce a PAES will be reported in the PM&C 2018-19 PB Statements. These changes to resourcing include the impact of expense and savings measures and Administrative Arrangements Orders (AAO) or Machinery of Government (MOG) changes.

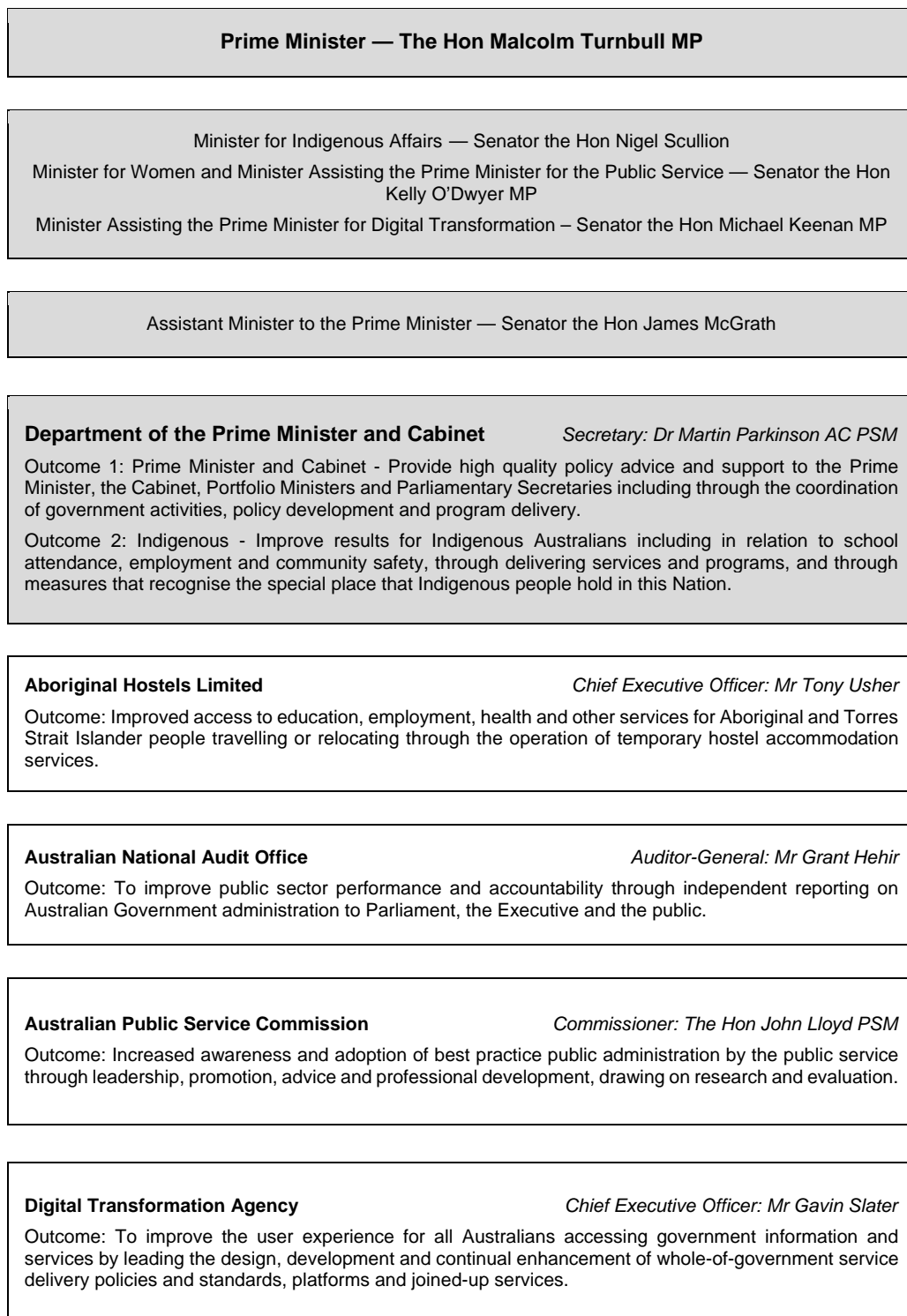
Under the AAO of 30 November 2017, responsibilities for Official Establishments, ownership and property management of the Prime Minister's official residences transferred from the Department of Finance to PM&C. Further information on this transfer of appropriation will be reported in the PM&C 2018-19 PB Statements.

Under the AAO of 20 December 2017 responsibilities for:

- Counter Terrorism Policy Co-ordination and Cyber Policy Co-ordination transferred from PM&C to the Department of Home Affairs
- National Policy on Cities, Infrastructure and Project Financing and Population Policy transferred from PM&C to the Department of Infrastructure, Regional Development and Cities
- Reducing the Burden of Government Regulation transferred from PM&C to the Department of Jobs and Small Business.

Further information on these transfers of appropriation will be reported in the PM&C 2018-19 PB Statements.

Figure 1: Prime Minister and Cabinet Portfolio Structure and Outcomes



continued on next page.

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 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: Ms Jenny Barbour

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 – *Acting 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 Nick Warner

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

Office of the Commonwealth Ombudsman

Ombudsman: Mr Michael Manthorpe PSM

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.

continued on next page.

Office of the Official Secretary to the Governor-General

Official Secretary: Mr Mark Fraser LVO OAM

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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OFFICE OF NATIONAL ASSESSMENTS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Strategic Direction Statement for ONA can be found in the 2017-18 PB Statements. There has been no change to ONA's strategic direction since the publication of the 2017-18 PB Statements.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for entity ONA at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2017-18 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1.1: ONA resource statement — Additional Estimates for 2017-18 as at Additional Estimates February 2018

	<i>Actual available appropriation</i>	<i>Estimate as at Budget</i>	<i>Proposed Additional Estimates</i>	<i>Total estimate at Additional Estimates</i>
	<i>2016-17</i>	<i>2017-18</i>	<i>2017-18</i>	<i>2017-18</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Departmental				
Annual appropriations - ordinary annual services (a)				
Prior year appropriations available	23,017	20,435	3,169	23,604
Departmental appropriation	31,459	31,965	9,400	41,365
Departmental capital budget (b)	3,884	3,963	-	3,963
Annual appropriations - other services - non-operating (c)				
Equity injection	-	-	11,700	11,700
<i>Total departmental annual appropriations</i>	<i>58,360</i>	<i>56,363</i>	<i>24,269</i>	<i>80,632</i>
Total departmental resourcing	58,360	56,363	24,269	80,632
Total resourcing for ONA	58,360	56,363	24,269	80,632
			<i>Actual 2016-17</i>	<i>2017-18</i>
Average staffing level (number)			134	167

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

- (a) Appropriation Act (No. 1) 2017-2018 and Appropriation Bill (No. 3) 2017-2018
- (b) 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'.
- (c) Appropriation Act (No. 2) 2017-2018.

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

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2017-18 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2017-18 measures since Budget

	Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Expense measures					
National Security - 2017 Independent Intelligence Review - implementation	1.1				
Departmental expenses (a)		9,400	16,000	23,000	29,200
Total expense measures					
Departmental		9,400	16,000	23,000	29,200
Total		9,400	16,000	23,000	29,200
Capital measures					
National Security - 2017 Independent Intelligence Review - implementation	1.1				
Departmental capital (a)		11,700	-	-	-
Total		11,700	-	-	-
Total capital measures					
Departmental		11,700	-	-	-
Total		11,700	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis

(a) The lead entity for measure National Security – 2017 Independent Intelligence Review – implementation is ONA. The full measure description and package details appear in MYEFO under the Prime Minister and Cabinet portfolio.

1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail the changes to the resourcing for ONA at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2017-18 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.3: Additional estimates and other variations to outcomes since 2017-18 Budget

	Program impacted	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Outcome 1					
Departmental					
Annual appropriations					
National Security - 2017					
Independent Intelligence Review - implementation					
	1.1	21,100	16,000	23,000	29,200
Changes in Parameters					
(net increase)					
		-	33	34	71
Net impact on appropriations for Outcome 1 (departmental)		21,100	16,033	23,034	29,271
Total net impact on appropriations for Outcome 1		21,100	16,033	23,034	29,271

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2017-18

	2016-17 Available \$'000	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programs					
Outcome 1 - Advancement of Australia's national interests through increased government awareness of international developments affecting Australia.					
35,343	35,343	35,928	45,328	9,400	-
Total departmental	35,343	35,928	45,328	9,400	-
Total administered and departmental	35,343	35,928	45,328	9,400	-

Note: 2016-17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Table 1.5: Appropriation Bill (No. 4) 2017-18

	2016-17 Available \$'000	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Non-operating					
Equity injections					
National Security - 2017					
Independent Intelligence Review - implementation	-	-	11,700	11,700	-
Total non-operating	-	-	11,700	11,700	-
Total other services	-	-	11,700	11,700	-

Note: 2016-17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Section 2: Revisions to outcomes and planned performance

2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There has been no change to ONA's outcome or program structure as reported in the 2017-18 Portfolio Budget Statements.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia.

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 2.2.1 Budgeted expenses for Outcome 1

Outcome 1: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia.					
	2016-17 Actual expenses \$'000	2017-18 Revised estimated expenses \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Program 1.1: Assessment and Reports					
Departmental expenses					
Departmental appropriation	22,021	28,956	34,566	40,531	45,768
Expenses not requiring appropriation in the Budget year (a)	2,424	3,295	3,185	3,167	3,067
Departmental total	24,445	32,250	37,751	43,698	48,835
Total expenses for program 1.1	24,445	32,250	37,751	43,698	48,835
Program 1.2: Coordination and Evaluation					
Departmental expenses					
Departmental appropriation	9,438	12,410	14,814	17,370	19,615
Expenses not requiring appropriation in the Budget year (a)	1,039	1,412	1,365	1,357	1,314
Departmental total	10,477	13,822	16,179	18,728	20,929
Total expenses for program 1.2	10,477	13,822	16,179	18,728	20,929

Table continued on next page

Table 2.2.1 Budgeted expenses for Outcome 1 (continued)

Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	31,459	41,365	49,380	57,901	65,383
Expenses not requiring appropriation in the Budget year (a)	3,463	4,707	4,550	4,524	4,381
Departmental total	34,922	46,072	53,930	62,425	69,764
Total expenses for Outcome 1	34,922	46,072	53,930	62,425	69,764
	2016-17	2017-18			
Average staffing level (number)	134	167			

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

Section 3: Special account flows and budgeted financial statements

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

The revised financial statements reflect the impact of additional funding received through the measure to establish an Office of National Intelligence. Revenue from Government and expenses shown in Table 3.1 and purchases of non-financial assets and equity injections in Table 3.2 has increased accordingly.

3.1.2 Budgeted financial statements

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Employee benefits	20,421	25,666	32,561	38,851	45,147
Suppliers	10,850	15,729	16,848	19,080	20,266
Depreciation and amortisation	3,463	4,707	4,550	4,524	4,381
Other expenses	165	-	-	-	-
Total expenses	34,899	46,102	53,960	62,455	69,794
LESS:					
OWN-SOURCE INCOME					
Gains					
Sale of assets	10	-	-	-	-
Other gains	30	30	30	30	30
Total gains	40	30	30	30	30
Total own-source income	40	30	30	30	30
Net cost of / (contribution by) services	(34,859)	(46,072)	(53,930)	(62,425)	(69,764)
Revenue from Government	31,459	41,365	49,380	57,901	65,383
Surplus/(deficit) attributable to the Australian Government	(3,400)	(4,707)	(4,550)	(4,524)	(4,381)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	489	-	-	-	-
Total other comprehensive income	489	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(2,911)	(4,707)	(4,550)	(4,524)	(4,381)
Note: Impact of net cash appropriation arrangements					
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	552	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	3,463	4,707	4,550	4,524	4,381
Total comprehensive income/(loss) - as per the statement of comprehensive income	(2,911)	(4,707)	(4,550)	(4,524)	(4,381)

Prepared on Australian Accounting Standards basis.

- (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.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	673	673	673	673	673
Trade and other receivables	24,051	34,867	38,253	40,062	42,291
Total financial assets	24,724	35,540	38,926	40,735	42,964
Non-financial assets					
Land and buildings	16,819	17,837	17,167	17,441	16,510
Property, plant and equipment	2,808	3,862	4,290	4,632	4,906
Intangibles	5,041	5,281	4,711	4,283	3,962
Other non-financial assets	1,405	1,435	1,435	1,435	1,435
Total non-financial assets	26,073	28,415	27,603	27,791	26,813
Total assets	50,797	63,955	66,529	68,526	69,777
LIABILITIES					
Payables					
Suppliers	2,836	2,885	3,127	3,254	3,261
Other payables	485	560	675	780	885
Total payables	3,321	3,445	3,802	4,034	4,146
Provisions					
Employee provisions	8,202	10,310	13,079	15,305	16,730
Other provisions	152	122	92	62	32
Total provisions	8,354	10,432	13,171	15,367	16,762
Total liabilities	11,675	13,877	16,973	19,401	20,908
Net assets	39,122	50,078	49,556	49,125	48,869
EQUITY(a)					
Parent entity interest					
Contributed equity	46,729	62,392	66,420	70,513	74,639
Reserves	1,545	1,545	1,545	1,545	1,545
Retained surplus / (accumulated deficit)	(9,152)	(13,859)	(18,409)	(22,933)	(27,315)
Total parent entity interest	39,122	50,078	49,556	49,125	48,869
Total Equity	39,122	50,078	49,556	49,125	48,869

Prepared on Australian Accounting Standards basis.

(a) 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 2017-18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity / capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	(9,152)	1,545	46,729	39,122
Adjusted opening balance	(9,152)	1,545	46,729	39,122
Comprehensive income				
Surplus/(deficit) for the period	(4,642)	-	-	(4,642)
Total comprehensive income	(4,642)	-	-	(4,642)
of which:				
Attributable to the Australian Government	(4,642)	-	-	(4,642)
Contributions by owners				
Equity Injection	-	-	11,700	11,700
Equity Injection - Appropriation	-	-	-	-
Departmental Capital Budget (DCB)	-	-	3,963	3,963
Sub-total transactions with owners	-	-	15,663	15,663
Estimated closing balance as at 30 June 2018	(13,794)	1,545	62,392	50,143
Closing balance attributable to the Australian Government	(13,794)	1,545	62,392	50,143

Prepared on Australian Accounting Standards basis

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	30,207	38,954	46,284	55,473	63,877
Net GST received	1,180	1,353	1,465	1,688	1,807
Total cash received	31,387	40,307	47,749	57,161	65,684
Cash used					
Employees	19,308	23,231	29,792	36,625	43,723
Suppliers	11,358	15,723	16,492	18,848	20,154
s74 Retained Revenue Receipts transferred to OPA	1,180	1,353	1,465	1,688	1,807
Total cash used	31,846	40,307	47,749	57,161	65,684
Net cash from / (used by) operating activities	(459)	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	10	-	-	-	-
Total cash received	10	-	-	-	-
Cash used					
Purchase of property, plant, equipment and intangibles	5,542	7,019	3,738	4,712	3,403
Total cash used	5,542	7,019	3,738	4,712	3,403
Net cash from / (used by) investing activities	(5,532)	(7,019)	(3,738)	(4,712)	(3,403)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	5,728	7,019	3,738	4,712	3,403
Total cash received	5,728	7,019	3,738	4,712	3,403
Net cash from / (used by) financing activities	5,728	7,019	3,738	4,712	3,403
Net increase/(decrease) in cash held	(263)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	936	673	673	673	673
Cash and cash equivalents at the end of the reporting period	673	673	673	673	673

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Capital budget - Act No. 1 and Bill 3 (DCB)	3,884	3,963	4,028	4,093	4,126
Equity injections - Act No. 2 and Bill 4	-	11,700	-	-	-
Total new capital appropriations	3,884	15,663	4,028	4,093	4,126
Provided for:					
Purchase of non-financial assets	3,884	15,663	4,028	4,093	4,126
Total Items	3,884	15,663	4,028	4,093	4,126
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	-	3,000	-	-	-
Funded by capital appropriation - DCB (b)	4,923	4,019	3,738	4,712	3,403
TOTAL AMOUNT SPENT	4,923	7,019	3,738	4,712	3,403
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,923	7,019	3,738	4,712	3,403
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	4,923	7,019	3,738	4,712	3,403

Prepared on Australian Accounting Standards basis.

- (a) Includes both current and prior Bill No. 4 and prior Act No. 2/4/6 appropriations and special capital appropriations.
- (b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Table 3.6: Statement of asset movements (2017-18 Budget year)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017				
Gross book value	16,819	2,808	10,690	30,317
Accumulated depreciation/amortisation and impairment	-	-	(5,649)	(5,649)
Opening net book balance	16,819	2,808	5,041	24,668
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	3,000	-	-	3,000
By purchase - appropriation ordinary annual services (b)	-	2,019	2,000	4,019
Total additions	3,000	2,019	2,000	7,019
Other movements				
Depreciation/amortisation expense	(1,982)	(965)	(1,760)	(4,707)
Total other movements	(1,982)	(965)	(1,760)	(4,707)
As at 30 June 2018				
Gross book value	19,819	4,827	12,690	37,336
Accumulated depreciation/amortisation and impairment	(1,982)	(965)	(7,409)	(10,356)
Closing net book balance	17,837	3,862	5,281	26,980

Prepared on Australian Accounting Standards basis.

- (a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act (No.2) 2017-2018 and Bill (No.4) 2017-2018, including CDABs.
- (b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No.1) 2017-18 and Bill (No.3) 2017-18 for depreciation/amortisation expenses, DCBs or other operational expenses

OFFICE OF THE INSPECTOR-GENERAL OF INTELLIGENCE AND SECURITY

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OFFICE OF THE INSPECTOR-GENERAL OF INTELLIGENCE AND SECURITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Additional funding has been provided to implement recommendations of the 2017 Independent Intelligence Review to expand the capacity of the Office of the Inspector-General of Intelligence and Security (OIGIS) to oversee the functions of all ten National Intelligence Community agencies.

Oversight of the following agencies is limited to their intelligence functions:

- Australian Federal Police (AFP)
- Australian Criminal Intelligence Commission (ACIC)
- Department of Home Affairs (DHA)
- Australian Transaction Reports and Analysis Centre (AUSTRAC)

The additional funding includes expanding the office from 17 to 55 FTE, commercial rent, IT systems and secure fit-out costs of new premises.

A full outline of OIGIS's Strategic Direction can be found in the 2017-18 Portfolio Budget Statements.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for OIGIS at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2017-18 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1.1: Entity OIGIS resource statement — Additional Estimates for 2017-18 as at Additional Estimates February 2018

	<i>Actual available appropriation</i>	<i>Estimate as at Budget</i>	<i>Proposed Additional Estimates</i>	<i>Total estimate at Additional Estimates</i>
	<i>2016-17 \$'000</i>	<i>2017-18 \$'000</i>	<i>2017-18 \$'000</i>	<i>2017-18 \$'000</i>
Departmental				
Annual appropriations - ordinary annual services (a)				
Prior year appropriations available	742	1,039	-	1,039
Departmental appropriations 74 retained revenue receipts (b)	3,118	3,157	3,662	6,819
Departmental capital budget (c)	114	-	-	-
<i>Total departmental annual appropriations</i>	<i>3,999</i>	<i>4,221</i>	<i>15,222</i>	<i>19,443</i>
Total departmental resourcing	3,999	4,221	15,222	19,443
Total resourcing for entity OIGIS	3,999	4,221	15,222	19,443
			<i>Actual 2016-17</i>	<i>2017-18</i>
Average staffing level (number)			14	26

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

- (a) Appropriation Act (No. 1) 2017-2018 and Appropriation Bill (No. 3) 2017-2018.
- (b) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (c) 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'.

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

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2017-18 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2017-18 measures since Budget

	Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Expense measures					
Independent Intelligence Review - Tranche 2	1.1				
Departmental expenses (a)		3,662	6,440	9,109	8,623
Total expense measures		3,662	6,440	9,109	8,623
Capital measures					
Independent Intelligence Review - Tranche 2	1.1				
Departmental capital(a)		11,560	250	2,458	976
Total capital measures		11,560	250	2,458	976
Total		15,222	6,690	11,567	9,599

Prepared on a Government Financial Statistics (fiscal) basis

(a) Measure relates to a decision made post MYEFO.

1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail the changes to the resourcing for OIGIS at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2017-18 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.3: Additional estimates and other variations to outcomes since 2017-18 Budget

	Program impacted	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Outcome 1					
Departmental					
Annual appropriations					
Independent Intelligence Review - Tranche 2	1.1	15,222	6,690	11,567	9,599
Net impact on appropriations for Outcome 1 (departmental)		15,222	6,690	11,567	9,599
Total net impact on appropriations for Outcome 1		15,222	6,690	11,567	9,599

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2017-18

	2016-17 Available \$'000	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programs					
Outcome 1 - 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.	3,143	3,182	18,404	15,222	-
Total departmental	3,143	3,182	18,404	15,222	-
Total administered and departmental	3,143	3,182	18,404	15,222	-

Note: 2016-17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Table 1.5: Appropriation Bill (No. 4) 2017-18

Table 1.5 is not included as there have been no variations that affect *Appropriation Bill (No.4) 2017-18*.

Section 2: Revisions to outcomes and planned performance

2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There has been no change to OIGIS’s outcome or program structure as reported in the 2017-18 Portfolio Budget Statements.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: 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.

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 2.2.1 Budgeted expenses for Outcome 1

Outcome 1: 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.

	2016-17 Actual expenses \$'000	2017-18 Revised estimated expenses \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Program 1.1: Office of the Inspector-General of Intelligence and Security					
Departmental expenses					
Departmental appropriations	2,799	6,819	9,642	12,356	11,915
s 74 Retained revenue receipts (a)	-	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	177	166	1,851	2,453	2,684
Departmental total	2,976	6,985	11,493	14,809	14,599
Total expenses for Outcome 1	2,976	6,985	11,493	14,809	14,599

	2016-17	2017-18
Average staffing level (number)	14	26

(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, amortisation expenses, make good expenses, audit fees, IT and other services provided free of charge.

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 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 2017-18 Budget.

Table 2.2.2: Performance criteria for Outcome 1

<p>Outcome 1 – 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.</p>		
<p>Program 1 – Office of the Inspector-General of Intelligence and Security The objectives of this program are to fulfil the responsibilities and functions outlined in the <i>Inspector-General of Intelligence and Security Act 1986</i> and in other relevant legislation, and to conduct activities to facilitate the role of providing independent assurance as to whether Australia’s intelligence agencies are acting legally and with propriety.</p>		
<p>Delivery</p>	<ul style="list-style-type: none"> • Conducting inquiries as appropriate (which may be ‘own motion’, in response to complaints or referrals, or at the request of intelligence agency ministers or the Prime Minister) • Undertaking comprehensive inspection and visit programs to monitor and review intelligence agencies’ operational activity • Providing effective and timely responses to complaints or referrals received from members of the public, Ministers or members of parliament. • Facilitating the investigation of public interest disclosures relating to intelligence agencies • Providing information to parliamentary committees and others on oversight issues relating to intelligence agency powers and functions • Providing evidence to the Administrative Appeals Tribunal and the Information Commissioner as required under relevant legislation • Undertaking presentations to new and existing employees of intelligence agencies to ensure an awareness and understanding of their responsibilities and accountability • Liaising with other accountability and integrity agencies on issues of mutual interest 	
<p>Performance information</p>		
<p>Year</p>	<p>Performance criteria</p>	<p>Targets</p>
<p>2017-18</p>	<p>There are four key performance indicators:</p> <ul style="list-style-type: none"> • Range of inspection work undertaken • Finalisation of complaints in a timely manner • Level of acceptance by intelligence agencies of conclusions and recommendations of inquiries conducted • Extent to which there has been change within the intelligence agencies as a result of activities of OIGIS. <p>Performance will be measured by both quantitative and qualitative information.</p>	<ul style="list-style-type: none"> • Inspection of at least 75% of each agency’s activity categories • 90% of complaints acknowledged within five business days, and 85% of visa-related complaints finalised within two weeks • 100% of inquiry recommendations accepted • 100% of inquiry recommendations implemented • Completion of at least 15 outreach activities per year.
<p>2018-19 and beyond</p>	<p>As per 2017-18.</p>	<p>As per 2017-18.</p>

<p>Outcome 1 – 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.</p>	
<p>Program 1 – Office of the Inspector-General of Intelligence and Security</p> <p>The objectives of this program are to fulfil the responsibilities and functions outlined in the <i>Inspector-General of Intelligence and Security Act 1986</i> and in other relevant legislation, and to conduct activities to facilitate the role of providing independent assurance as to whether Australia’s intelligence agencies are acting legally and with propriety.</p>	
<p>Purposes</p>	<p>To assist Ministers in the oversight and review of the Australian intelligence agencies, to provide assurance to Parliament and the public about the scrutiny of the operation of those agencies, and to assist in investigating intelligence and security matters.</p>
<p>Material changes to Program 1.1 resulting from the following measures:</p> <ul style="list-style-type: none"> • Measure title – Independent Intelligence Review - Tranche 2 	

Section 3: Special account flows and budgeted financial statements

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

Augmentation of the office will result in an increase in both supplier expenses and employee benefits with the planned recruitment of up to ten additional staff during 2017-18. Significant new operating expenses will include annual ICT operating costs, office lease expenses and security guarding services. Other ongoing expenses such as travel and security clearance fees will also increase with the expansion of the office.

The office's non-financial assets will increase significantly with capital expenditure to include classified ICT systems and secure fit-out costs.

Cash holdings and employee provisions are also expected to increase significantly.

3.1.2 Budgeted financial statements

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Employee benefits	2,590	4,702	7,252	9,436	9,576
Suppliers	366	2,244	2,517	3,047	2,466
Depreciation and amortisation	19	39	1,724	2,326	2,557
Write-down and impairment of assets	1	-	-	-	-
Total expenses	2,976	6,985	11,493	14,809	14,599
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other revenue	158	127	127	127	127
Total own-source revenue	158	127	127	127	127
Total own-source income	158	127	127	127	127
Net cost of / (contribution by) services	(2,818)	(6,858)	(11,366)	(14,682)	(14,472)
Revenue from Government	3,117	6,819	9,642	12,356	11,915
Surplus/(deficit) attributable to the Australian Government	299	(39)	(1,724)	(2,326)	(2,557)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	5	-	-	-	-
Total other comprehensive income	5	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	304	(39)	(1,724)	(2,326)	(2,557)

Note: Impact of net cash appropriation arrangements

Table continued on next page

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

	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	323	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	19	39	1,724	2,326	2,557
Total comprehensive income/(loss) - as per the statement of comprehensive income	304	(39)	(1,724)	(2,326)	(2,557)

Prepared on Australian Accounting Standards basis.

- (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 Statement.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	200	450	450	450	450
Trade and other receivables	3	3	3	3	3
Appropriations receivables	3,827	5,151	5,744	6,244	6,744
Total financial assets	4,030	5,604	6,197	6,697	7,197
Non-financial assets					
Land and buildings	-	-	-	-	-
Property, plant and equipment	89	11,660	10,211	10,368	8,812
Total non-financial assets	89	11,660	10,211	10,368	8,812
Total assets	4,119	17,264	16,408	17,065	16,009
LIABILITIES					
Payables					
Suppliers	13	1,000	1,000	1,000	1,000
Other payables	371	432	100	100	100
Total payables	384	1,432	1,100	1,100	1,100
Provisions					
Employee provisions	575	1,075	2,000	2,500	3,000
Other provisions	-	50	50	50	50
Total provisions	575	1,125	2,050	2,550	3,050
Total liabilities	959	2,557	3,150	3,650	4,150
Net assets	3,160	14,707	13,258	13,415	11,859
EQUITY(a)					
Contributed equity	528	12,113	12,388	14,871	15,872
Reserves	21	22	22	22	22
Retained surplus / (accumulated deficit)	2,611	2,572	848	(1,478)	(4,035)
Total Equity	3,160	14,707	13,258	13,415	11,859

Prepared on Australian Accounting Standards basis.

(a) 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 2017-18)

	Retained earnings	Asset revaluation reserve	Contributed equity / capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	2,611	22	528	3,161
Adjusted opening balance	2,611	22	528	3,161
Comprehensive income				
Surplus/(deficit) for the period	(39)	-	-	(39)
Total comprehensive income	(39)	-	-	(39)
of which:				
Attributable to the Australian Government	(39)	-	-	(39)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	11,585	11,585
Sub-total transactions with owners	-	-	11,585	11,585
Transfers between equity components				-
Estimated closing balance as at 30 June 2018	2,572	22	12,113	14,707
Closing balance attributable to the Australian Government	2,572	22	12,113	14,707

Prepared on Australian Accounting Standards basis

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,605	5,494	9,049	11,856	11,415
Other	165	127	127	127	127
Total cash received	2,770	5,621	9,176	11,983	11,542
Cash used					
Employees	2,616	4,202	6,327	8,936	9,076
Suppliers	116	1,194	2,849	3,047	2,466
Other	(8)				
Total cash used	2,724	5,396	9,176	11,983	11,542
Net cash from / (used by) operating activities	46	225	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	26	11,560	275	2,483	1,001
Total cash used	26	11,560	275	2,483	1,001
Net cash from / (used by) investing activities	(26)	(11,560)	(275)	(2,483)	(1,001)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	25	11,585	275	2,483	1,001
Total cash received	25	11,585	275	2,483	1,001
Total cash used	-	-	-	-	-
Net cash from / (used by) financing activities	25	11,585	275	2,483	1,001
Net increase/(decrease) in cash held	45	250	-	-	-
Cash and cash equivalents at the beginning of the reporting period	155	200	450	450	450
Cash and cash equivalents at the end of the reporting period	200	450	450	450	450

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 and Bill 3 (DCB)	25	11,585	275	2,483	1,001
Total new capital appropriations	25	11,585	275	2,483	1,001
Provided for:					
Purchase of non-financial assets	25	11,585	275	2,483	1,001
Total Items	25	11,585	275	2,483	1,001
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB	50	11,610	275	2,483	1,001
TOTAL AMOUNT SPENT	50	11,610	275	2,483	1,001
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	50	11,610	275	2,483	1,001
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	50	11,610	275	2,483	1,001

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (2017-18 Budget year)

	Other property, plant and equipment \$'000	Total \$'000
As at 1 July 2017		
Gross book value	89	89
Opening net book balance	89	89
CAPITAL ASSET ADDITIONS		
Estimated expenditure on new or replacement assets		
By purchase - appropriation ordinary annual services (a)	11,610	11,610
Total additions	11,610	11,610
Other movements		
Depreciation/amortisation expense	(39)	(39)
Total other movements	(39)	(39)
As at 30 June 2018		
Gross book value	11,699	11,699
Accumulated depreciation/amortisation and impairment	(39)	(39)
Closing net book balance	11,660	11,660

Prepared on Australian Accounting Standards basis.

- (a) "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No.1) 2017-18 and Bill (No.3) 2017-18 for depreciation/amortisation expenses, DCBs or other operational expenses.

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL

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OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The planned outcome for the Office of the Official Secretary to the Governor-General (OOSGG) is the facilitation of the performance of the Governor-General's role 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.

The OOSGG delivers its planned outcome through one program, being 'Support for the Governor-General and Official Functions.'

The OOSGG's role is to support the Governor-General to enable him to perform official duties, including support in connection with official functions, the management and maintenance of Government House in Canberra and Admiralty House in Sydney, and the effective administration of the Australian Honours and Awards system.

A full outline of OOSGG's Strategic Direction can be found in the 2017-18 Portfolio Budget Statements.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for OOSGG at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2017-18 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1.1: Entity OOSGG resource statement — Additional Estimates for 2017-18 as at Additional Estimates February 2018

	<i>Actual available appropriation</i>	<i>Estimate as at Budget</i>	<i>Proposed Additional Estimates</i>	<i>Total estimate at Additional Estimates</i>
	<i>2016-17</i>	<i>2017-18</i>	<i>2017-18</i>	<i>2017-18</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Departmental				
Annual appropriations - ordinary annual services (a)				
Prior year appropriations available	2,950	3,326	-	3,326
Departmental appropriations	11,076	10,932	-	10,932
s 74 retained revenue receipts (b)	537	-	-	-
Departmental capital budget (c)	395	391	-	391
<i>Total departmental annual appropriations</i>	<i>14,958</i>	<i>14,649</i>	<i>-</i>	<i>14,649</i>
Total departmental resourcing	14,958	14,649	-	14,649
Administered				
Annual appropriations - ordinary annual services (a)				
Outcome 1	1,431	1,509	-	1,509
Administered capital budget (d)	2,936	3,214	100	3,314
<i>Total administered annual appropriations</i>	<i>4,367</i>	<i>4,723</i>	<i>100</i>	<i>4,823</i>
<i>Total administered special appropriations (e)</i>	<i>425</i>	<i>425</i>	<i>-</i>	<i>425</i>
Total administered resourcing	4,792	5,148	100	5,248
Total resourcing for entity OOSGG	19,750	19,797	100	19,897
			<i>Actual 2016-17</i>	<i>2017-18</i>
Average staffing level (number)			76	76

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) 2017-2018 and Appropriation Bill (No. 3) 2017-2018
- (b) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (c) 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'.
- (d) Administered capital budgets are not separately identified in Appropriation Act (No. 1) and form part of ordinary annual services items. Please refer to Table 3.11 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'
- (e) For further information on special appropriations, please refer to Budget Paper no. 4 – Agency Resourcing.

1.3 ENTITY MEASURES

There has been no budget measures for OOSGG since the publication of the 2017-18 PB Statements.

1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail the changes to the resourcing for OOSGG at Additional Estimates, by outcome. Table 1.2 details the Additional Estimates resulting from new measures and other variations since the 2017-18 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.2: Additional estimates and other variations to outcomes since 2017-18 Budget

	Program impacted	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Outcome 1					
Administered					
Annual appropriations					
Movement of Funds					
(net increase)	1.1	100	400	-	-
(net decrease)	1.1	-	-	(200)	(200)
Changes in Parameters					
(net increase)	1.1	-	34	39	48
Net impact on appropriations for Outcome 1 (administered)		100	434	(161)	(152)
Outcome 1					
Departmental					
Annual appropriations					
Changes in Parameters					
(net increase)	1.1	-	11	-	-
Net impact on appropriations for Outcome 1 (departmental)		-	11	-	-
Total net impact on appropriations for Outcome 1		100	445	(161)	(152)

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.3: Appropriation Bill (No. 3) 2017-18

	2016-17 Available \$'000	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Administered items					
Outcome 1 -					
The performance of the Governor-General's role is facilitated through the organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.	4,367	4,723	4,823	100	-
Total administered	4,367	4,723	4,823	100	-
Departmental programs					
Outcome 1 -					
The performance of the Governor-General's role is facilitated through the organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.	11,471	11,323	11,323	-	-
Total departmental	11,471	11,323	11,323	-	-
Total administered and departmental	15,838	16,046	16,146	100	-

Note: 2016-17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Table 1.4: Appropriation Bill (No. 4) 2017-18

Table 1.4 is not included as there have been no variations that affect *Appropriation Bill (No.4) 2017-18*.

Section 2: Revisions to outcomes and planned performance

2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There are no changes to the outcome and program structures as reported in the 2017-18 PB Statements.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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 2.2.1 Budgeted expenses for Outcome 1

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

	2016-17 Actual expenses \$'000	2017-18 Revised estimated expenses \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Program 1.1: Support of the Governor-General and Official Activities.					
Administered expenses					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	876	1,509	1,555	1,562	1,590
Special appropriations	425	425	425	425	425
Expenses not requiring appropriation in the Budget year (a)	1,597	1,717	1,218	1,499	1,513
Administered total	2,898	3,651	3,198	3,486	3,528
Departmental expenses					
Departmental appropriation	11,130	10,932	10,896	10,950	11,024
Expenses not requiring appropriation in the Budget year (a)	433	453	461	457	418
Departmental total	11,563	11,385	11,357	11,407	11,442
Total expenses for program 1.1	14,461	15,036	14,555	14,893	14,970

	2016-17	2017-18
Average staffing level (number)	76	76

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

There are no changes to the performance criteria for Outcome 1 as reported in the 2017-18 PB Statements.

Section 3: Special account flows and budgeted financial statements

3.1 Budgeted financial statements

3.1.1 Analysis of budgeted financial statements

The major changes in the financial statements of the OOSGG since the PBS 2017-18 are as a result of the movement of funds towards unspent Administered Capital Budget (ACB) appropriation from 2016-17 along with reprioritisation of ACB expenditure in the forward estimates (Tables 1.1, 1.2, 1.3 and 3.10). The revised financial statements also reflect an internally funded departmental capital project currently being undertaken in the Australian Honours and Awards system (Table 3.5).

3.1.2 Budgeted financial statements

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Employee benefits	7,680	7,583	7,499	7,657	7,555
Suppliers	3,522	3,418	3,466	3,362	3,538
Depreciation and amortisation	361	384	392	388	349
Total expenses	11,563	11,385	11,357	11,407	11,442
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other revenue	103	-	-	-	-
Total own-source revenue	103	-	-	-	-
Gains					
Other gains	72	69	69	69	69
Total gains	72	69	69	69	69
Total own-source income	175	69	69	69	69
Net cost of / (contribution by) services	(11,388)	(11,316)	(11,288)	(11,338)	(11,373)
Revenue from Government	11,077	10,932	10,896	10,950	11,024
Surplus/(deficit) attributable to the Australian Government	(311)	(384)	(392)	(388)	(349)
Total comprehensive income/(loss) attributable to the Australian Government	(311)	(384)	(392)	(388)	(349)
Note: Impact of net cash appropriation arrangements					
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	50	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	361	384	392	388	349
Total comprehensive income/(loss) - as per the statement of comprehensive income	(311)	(384)	(392)	(388)	(349)

Prepared on Australian Accounting Standards basis.

- (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.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	241	241	241	241	241
Trade and other receivables	2,831	2,480	2,410	2,410	2,460
Total financial assets	3,072	2,721	2,651	2,651	2,701
Non-financial assets					
Property, plant and equipment	1,430	1,428	1,500	1,517	1,510
Intangibles	418	807	803	789	790
Other non-financial assets	89	89	89	89	89
Total non-financial assets	1,937	2,324	2,392	2,395	2,389
Total assets	5,009	5,045	5,043	5,046	5,090
LIABILITIES					
Payables					
Suppliers	502	502	502	502	502
Other payables	57	86	86	86	86
Total payables	559	588	588	588	588
Provisions					
Employee provisions	2,018	2,018	2,018	2,018	2,018
Total provisions	2,018	2,018	2,018	2,018	2,018
Total liabilities	2,577	2,606	2,606	2,606	2,606
Net assets	2,432	2,439	2,437	2,440	2,484
EQUITY (a)					
Parent entity interest					
Contributed equity	1,841	2,232	2,622	3,013	3,406
Reserves	558	558	558	558	558
Retained surplus / (accumulated deficit)	33	(351)	(743)	(1,131)	(1,480)
Total parent entity interest	2,432	2,439	2,437	2,440	2,484
Total Equity	2,432	2,439	2,437	2,440	2,484

Prepared on Australian Accounting Standards basis.

(a) 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 2017-18)

	Retained earnings	Asset revaluation reserve	Contributed equity / capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	33	558	1,841	2,432
Adjusted opening balance	33	558	1,841	2,432
Comprehensive income				
Other comprehensive income				
Surplus/(deficit) for the period	(384)	-	-	(384)
Total comprehensive income	(384)	-	-	(384)
of which:				
Attributable to the Australian Government	(384)	-	-	(384)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	391	391
Sub-total transactions with owners	-	-	391	391
Estimated closing balance as at 30 June 2018	(351)	558	2,232	2,439
Closing balance attributable to the Australian Government	(351)	558	2,232	2,439

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	11,178	11,283	10,966	10,950	10,974
Other	180	-	-	-	-
Total cash received	11,358	11,283	10,966	10,950	10,974
Cash used					
Employees	7,687	7,554	7,499	7,657	7,555
Suppliers	3,463	3,349	3,397	3,293	3,469
Total cash used	11,150	10,903	10,896	10,950	11,024
Net cash from / (used by) operating activities	208	380	70	-	(50)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	510	771	460	391	343
Total cash used	510	771	460	391	343
Net cash from / (used by) investing activities	(510)	(771)	(460)	(391)	(343)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	395	391	390	391	393
Total cash received	395	391	390	391	393
Net cash from / (used by) financing activities	395	391	390	391	393
Net increase/(decrease) in cash held	93	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	148	241	241	241	241
Cash and cash equivalents at the end of the reporting period	241	241	241	241	241

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 and Bill 3 (DCB)	395	391	390	391	393
Total new capital appropriations	395	391	390	391	393
Provided for:					
Purchase of non-financial assets	395	391	390	391	393
Total Items	395	391	390	391	393
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	395	391	390	391	393
Funded internally from departmental resources (b)	-	380	70	-	-
TOTAL AMOUNT SPENT	395	771	460	391	393
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	395	771	460	391	393
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	395	771	460	391	393

Prepared on Australian Accounting Standards basis.

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

(b) Includes the following sources of funding:

- current bill No. 3 and prior year act No. 1/3/5 appropriations (excluding amounts from the DCB);
- donations and contributions;
- gifts;
- internally developed assets;
- s74 Retained revenue receipts;
- proceeds from the sale of assets.

Table 3.6: Statement of asset movements (2017-18 Budget year)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017			
Gross book value	2,590	1,186	3,776
Accumulated depreciation/amortisation and impairment	(1,160)	(768)	(1,928)
Opening net book balance	1,430	418	1,848
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services (a)	281	110	391
By purchase - other		380	380
Total additions	281	490	771
Other movements			
Depreciation/amortisation expense	(283)	(101)	(384)
Total other movements	(283)	(101)	(384)
As at 30 June 2018			
Gross book value	2,871	1,676	4,547
Accumulated depreciation/amortisation and impairment	(1,443)	(869)	(2,312)
Closing net book balance	1,428	807	2,235

Prepared on Australian Accounting Standards basis.

(a) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No.1) 2017-18* and Bill (No.3) 2017-18 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	876	1,509	1,555	1,562	1,590
Personal benefits	425	425	425	425	425
Depreciation and amortisation	1,597	1,717	1,218	1,499	1,513
Total expenses administered on behalf of Government	2,898	3,651	3,198	3,486	3,528
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	29	27	27	27	30
Total non-taxation revenue	29	27	27	27	30
Total own-source revenue administered on behalf of Government	29	27	27	27	30
Total own-source income administered on behalf of Government	29	27	27	27	30
Net cost of/(contribution by) services	2,869	3,624	3,171	3,459	3,498
Total comprehensive income (loss) attributable to the Australian Government	(2,869)	(3,624)	(3,171)	(3,459)	(3,498)

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1	1	1	1	1
Trade and other receivables	97	97	97	97	97
Total financial assets	98	98	98	98	98
Non-financial assets					
Land and buildings	133,289	134,331	135,485	136,450	137,431
Property, plant and equipment	1,606	2,161	2,486	2,656	2,819
Inventories	1,614	1,614	1,614	1,614	1,614
Total non-financial assets	136,509	138,106	139,585	140,720	141,864
Total assets administered on behalf of Government	136,607	138,204	139,683	140,818	141,962
LIABILITIES					
Payables					
Suppliers	102	102	102	102	102
Total payables	102	102	102	102	102
Total liabilities administered on behalf of Government	102	102	102	102	102
Net assets/(liabilities)	136,505	138,102	139,581	140,716	141,860

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	16	27	27	27	30
Total cash received	16	27	27	27	30
Cash used					
Personal benefits	425	425	425	425	425
Suppliers	1,355	1,516	1,555	1,562	1,590
Total cash used	1,780	1,941	1,980	1,987	2,015
Net cash from / (used by) operating activities	(1,764)	(1,914)	(1,953)	(1,960)	(1,985)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	2,846	3,314	2,697	2,634	2,657
Total cash used	2,846	3,314	2,697	2,634	2,657
Net cash from / (used by) investing activities	(2,846)	(3,314)	(2,697)	(2,634)	(2,657)
FINANCING ACTIVITIES					
Cash received					
Other	2,846	3,314	2,697	2,634	2,657
Total cash received	2,846	3,314	2,697	2,634	2,657
Net cash from/(used by) financing activities	2,846	3,314	2,697	2,634	2,657
Net increase/(decrease) in cash held	(1,764)	(1,914)	(1,953)	(1,960)	(1,985)
Cash and cash equivalents at beginning of reporting period	1	1	1	1	1
Cash from Official Public Account for:					
- Appropriations	2,161	1,934	1,980	1,987	2,015
Total cash from Official Public Account	2,161	1,934	1,980	1,987	2,015
Cash to Official Public Account for:					
- Appropriations	397	20	27	27	30
Total cash to Official Public Account	397	20	27	27	30
Cash and cash equivalents at end of reporting period	1	1	1	1	1

Prepared on Australian Accounting Standards basis.

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

	2016-17 Actual \$'000	2017-18 Revised budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act 1 and Bill 3 (ACB)	2,936	3,314	2,697	2,634	2,657
Total new capital appropriations	2,936	3,314	2,697	2,634	2,657
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	2,936	3,314	2,697	2,634	2,657
Total Items	2,936	3,314	2,697	2,634	2,657
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	2,936	3,314	2,697	2,634	2,657
TOTAL AMOUNT SPENT	2,936	3,314	2,697	2,634	2,657
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	2,936	3,314	2,697	2,634	2,657
Total cash used to acquire assets	2,936	3,314	2,697	2,634	2,657

Prepared on Australian Accounting Standards basis.

- (a) Does not include annual finance lease costs. Includes purchases from current and previous years' Administered Capital Budgets (ACBs).

Table 3.11: Statement of administered asset movements (2017-18 Budget year)

	Land	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2017				
Gross book value	100,500	36,288	1,852	138,640
Accumulated depreciation/amortisation and impairment	-	(3,499)	(246)	(3,745)
Opening net book balance	100,500	32,789	1,606	134,895
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	2,702	612	3,314
Total additions	-	2,702	612	3,314
Other movements				
Depreciation/amortisation expense	-	(1,660)	(57)	(1,717)
Total other movements	-	(1,660)	(57)	(1,717)
As at 30 June 2018				
Gross book value	100,500	38,990	2,464	141,954
Accumulated depreciation/amortisation and impairment	-	(5,159)	(303)	(5,462)
Closing net book balance	100,500	33,831	2,161	136,492

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Act (No. 1) 2017-2018 and Bill (No.3) 2017-2018 for depreciation/amortisation expenses, ACBs or other operational expenses.

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 2016-17 as at the 2017-18 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).

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.

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.

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 2016-17 is the Budget year, 2017-18 is forward year 1, 2018-19 is forward year 2 and 2019-20 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).

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.

Public Governance, Performance and Accountability Act 2013 (PGPA Act)	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)	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. Standing appropriations are a subcategory consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.