

# Portfolio Additional Estimates Statements 2016-17

Finance Portfolio

Explanations of Additional Estimates 2016-17

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**SENATOR THE HON MATHIAS CORMANN**

**Minister for Finance**

**Deputy Leader of the Government in the Senate**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2016-17 Additional Estimates for the Finance 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.

Kind regards



Mathias Cormann  
**Minister for Finance**

1 February 2017

# 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nfp	not for publication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
\$b	\$ billion

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 Finance on (02) 62152222.

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](http://www.budget.gov.au).

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



# USER GUIDE

The purpose of the 2016-17 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by 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) 2016-17. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

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

# Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

<b>User Guide</b>	
Provides a brief introduction explaining the purpose of the PAES.	
<b>Portfolio Overview</b>	
Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.	
<b>Entity Additional Estimates Statements</b>	
A statement (under the name of the entity) for each entity affected by Additional Estimates.	
<b>Section 1: Entity Overview and Resources</b>	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.
<b>Section 2: Revisions to Outcomes and Planned Performance</b>	This section details <b>changes</b> to Government outcomes and/or <b>changes</b> to the planned performance of entity programs.
<b>Section 3: Special Account Flows and Budgeted Financial Statements</b>	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
<b>Portfolio Glossary</b>	
Explains key terms relevant to the Portfolio.	



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# **PORTFOLIO OVERVIEW**



# PORTFOLIO OVERVIEW

## **Portfolio Overview**

The Finance portfolio outcomes are represented at Figure 1 on page 4.

## **Additional Estimates and Variations – Portfolio Level**

Additional estimates and variations are being sought by the Department of Finance (Finance) and the Australian Electoral Commission (AEC). These are detailed in the respective statements later in this document, with a brief outline of the changes summarised below.

Funding for the other entities within the portfolio, being the Commonwealth Superannuation Corporation and the Future Fund Management Agency, remains unchanged.

### **Department of Finance (Finance)**

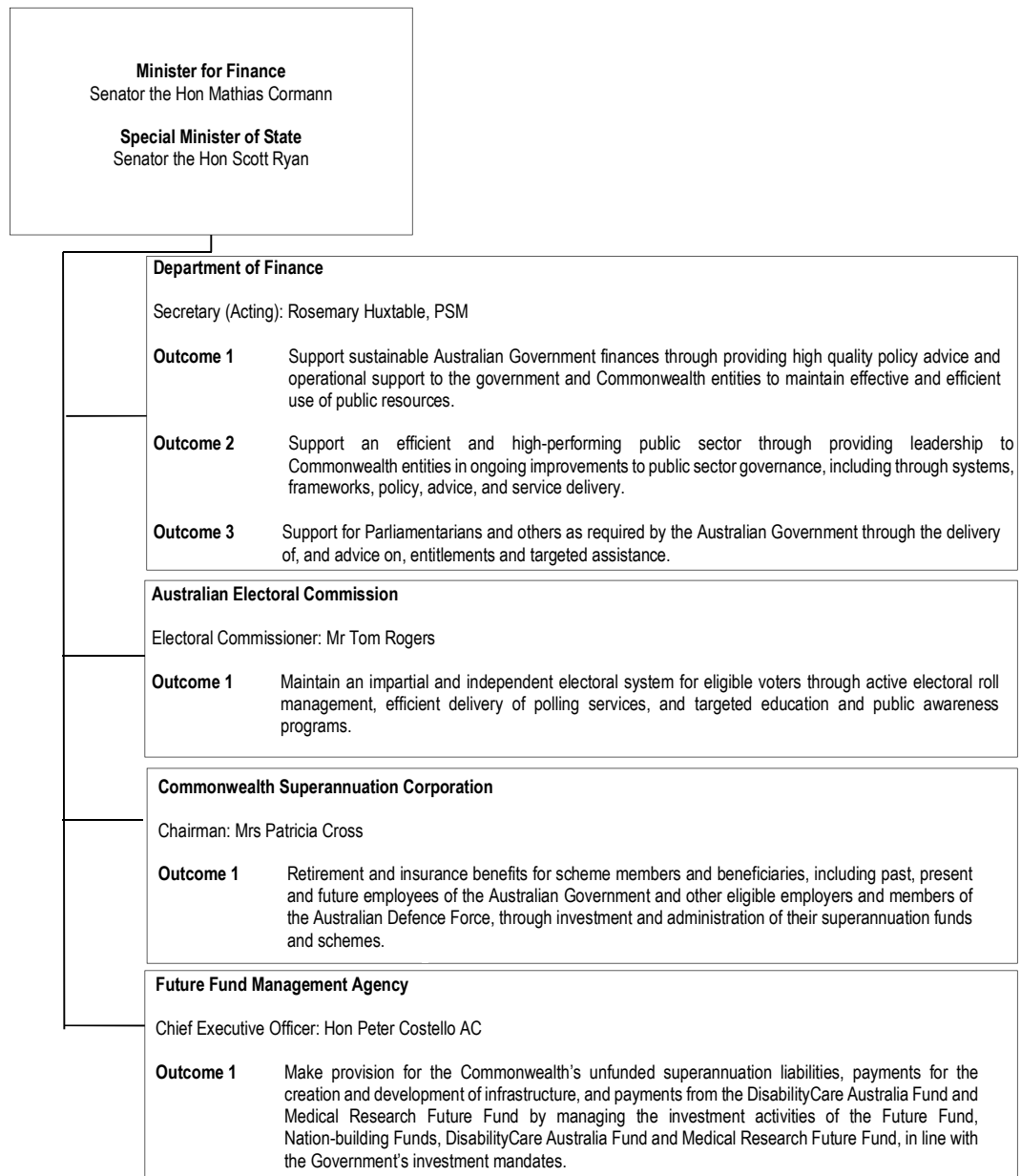
Finance is seeking net additional funding of \$15.0 million in Appropriation Bill No.3 2016-17 and \$0.2 million in Appropriation Bill No.4 2016-17.

Finance's administered special appropriation will decrease by \$791 million in 2016-17 primarily due to revisions of superannuation estimates.

### **Australian Electoral Commission (AEC)**

The AEC is seeking net additional funding of \$3.8 million in Appropriation Bill No.3 2016-17.

**Figure 1: Finance Portfolio Structure and Outcomes**



# ENTITY ADDITIONAL ESTIMATES STATEMENTS

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# DEPARTMENT OF FINANCE

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## DEPARTMENT OF FINANCE

### Section 1: Entity Overview and Resources

#### 1.1 STRATEGIC DIRECTION STATEMENT

On 12 September 2016, it was announced that, consistent with the Australian Government's Shared and Common Services Program, certain corporate functions being undertaken by the then Shared Services Centre (a joint initiative of the Department of Education and Training and the Department of Employment) would transfer to the Department of Finance.

This transfer was effected on 1 December 2016, and the function was renamed as the "Service Delivery Office (SDO)". The SDO has been established in the PAES as a new program under Finance's Outcome 2. Further details on the SDO are contained on page 38.

Responsibility for ICT policy and strategy, ICT benchmarking, ICT projects dashboard, ICT skills programs, ICT awards, Cyber Security Review, the Style Manual, and Projects/P3M was transferred to the Digital Transformation Agency on 15 December 2016. This impacts on Program 2.2 – Transforming Government. Further information is contained on page 36.

As part of the 2016-17 Mid Year Economic and Fiscal Outlook, the Government announced it would not proceed with the establishment of the Asset Recycling Fund as announced in the 2014-15 Budget Measure titled *Infrastructure Growth Package – Asset Recycling Fund*. This impacts on Program 2.8 – Australian Government Investment Funds. Further information is contained on page 38.

#### 1.2 ENTITY RESOURCE STATEMENT

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

**Table 1.1: Department of Finance Resource Statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017**

	<i>Actual available appropriation 2015-16 \$'000</i>	<i>Estimate as at Budget 2016-17 \$'000</i>	<i>Proposed Additional Estimate 2016-17 \$'000</i>	<i>Total estimate at Additional Estimates 2016-17 \$'000</i>
<b>Departmental</b>				
Annual appropriations - ordinary annual services <sup>(a)</sup>				-
Prior year appropriations available	149,491	107,607	-	107,607
Departmental appropriation	270,315	272,910	11,051	283,961
s74 retained revenue receipts <sup>(b)</sup>		18,799	-	18,799
Departmental capital budget	-	7,221	(7,221)	-
Annual appropriations - other services - non-operating <sup>(c)</sup>			-	-
Equity injection	157,310	69,808	-	69,808
Total departmental annual appropriations	577,116	476,345	3,830	480,175
Special accounts <sup>(d)</sup>				
Opening balance	716,212	722,689	5,731	728,420
Appropriation receipts	152,615	131,719	9,061	140,780
Non-appropriation receipts	347,587	360,577	23,220	383,797
Total special accounts	1,216,414	1,214,985	38,012	1,252,997
less departmental appropriations draw n from annual/special appropriations and credited to special accounts	(152,615)	(131,719)	(9,061)	(140,780)
<b>Total departmental resourcing</b>	<b>1,640,915</b>	<b>1,559,611</b>	<b>32,781</b>	<b>1,592,392</b>
<b>Administered</b>				
Annual appropriations - ordinary annual services <sup>(a)</sup>				
Outcome 2	14,052	16,739	(794)	15,945
Outcome 3	273,096	276,451	11,194	287,645
Administered capital budget	4,832	4,919	-	4,919
Annual appropriations - other services - non-operating <sup>(b)</sup>				
Administered assets and liabilities	1,759	1,672	218	1,890
Total administered annual appropriations	293,739	299,781	10,618	310,399
Total administered special appropriations	6,272,758	9,955,794	(791,355)	9,164,439
Special accounts <sup>(d)</sup>				
Opening balance	-	-	-	-
Non-appropriation receipts	23,382,752	8,342,725	1,073,754	9,416,479
Total special account receipts	23,382,752	8,342,725	1,073,754	9,416,479
<b>Total administered resourcing</b>	<b>29,949,249</b>	<b>18,598,300</b>	<b>293,017</b>	<b>18,891,317</b>
<b>Total resourcing for Department of Finance</b>	<b>31,590,164</b>	<b>20,157,911</b>	<b>325,798</b>	<b>20,483,709</b>
			<i>2015-16</i>	<i>2016-17</i>
<b>Average Staffing Level (number)</b>			1,295	1,358

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

- (a) Appropriation Act (No. 1) 2016-17 and Appropriation Bill (No. 3) 2016-17. An amount of \$2.4m was transferred to the Digital Transformation Agency under a section 75 determination. Also includes an amount of \$9.1m that will be credited to the Comcover Special Account for interest equivalency payments in 2016-17 (refer table 3.1 for further details).
- (b) Estimated retained revenue receipts under s74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.
- (c) Appropriation Act (No. 2) 2016-17 and Appropriation Bill (No. 4) 2016-17.
- (d) For further information on special accounts, refer Table 3.1.

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

**Table 1.1: Department of Finance Resource Statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (Continued)**  
**Third Party Payments from and on Behalf of Other Entities**

	<i>Actual available appropriation 2015-16 \$'000</i>	<i>Estimate as at Budget 2016-17 \$'000</i>	<i>Proposed Additional Estimates 2016-17 \$'000</i>	<i>Total estimate at Additional Estimates 2016-17 \$'000</i>
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)				
Attorney-General's Department				
<i>Law Officers Act 1964</i>	418	450	-	450
Australian Security Intelligence Organisation				
Appropriation Act (No.2)	2,852	-	-	-
Payments made by other entities on behalf of Department of Finance (disclosed above)				
Attorney-General's Department				
<i>Parliamentary Entitlements Act 1990</i>	356	400	-	400
Commonwealth Superannuation Corporation				
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	634	1,000	-	1,000
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws - General Law Reform) Act 2008</i>	59	55	-	55
<i>Superannuation Act 1922</i>	90,133	83,429	-	83,429
<i>Superannuation Act 1976</i>	4,210,930	4,357,276	-	4,357,276
<i>Superannuation Act 1990</i>	1,697,599	1,796,559	-	1,796,559
Appropriation Act (No.1) <sup>(a)</sup>	412	500	-	500
Appropriation Act (No.1) <sup>(b)</sup>	56	5,012	(218)	4,794
Appropriation Act (No.2) <sup>(b)</sup>	566	597	276	873
<i>Public Governance, Performance and Accountability Act 2013</i>	54	-	-	-
Department of Defence				
<i>Parliamentary Entitlements Act 1990</i>	-	3,200	1,542	4,742
Department of the House of Representatives				
<i>Commonwealth of Australia Constitution Act (s66)</i>	3,232	3,086	84	3,170
<i>Parliamentary Entitlements Act 1990</i>	267	300	-	300
<i>Parliamentary Superannuation Act 2004</i>	3,917	5,034	-	5,034
Department of Parliamentary Services				
Appropriation Act (No.1)	72	351	-	351
<i>Parliamentary Entitlements Act 1990</i>	24,195	19,968	900	20,868
Department of the Prime Minister and Cabinet				
<i>Parliamentary Entitlements Act 1990</i>	5	-	-	-
Department of the Senate				
<i>Commonwealth of Australia Constitution Act (s66)</i>	1,668	1,880	(22)	1,858
<i>Parliamentary Entitlements Act 1990</i>	155	200	-	200
<i>Parliamentary Superannuation Act 2004</i>	2,122	2,157	-	2,157
Comcare				
<i>Parliamentary Entitlements Act 1990</i>	-	100	-	100
Fair Work Commission				
<i>Judges' Pensions Act 1968</i>	5,209	5,182	-	5,182

(a) Compensation and legal payments.

(b) Act of Grace payments.

## 1.3 ENTITY MEASURES

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

**Table 1.2: Department of Finance 2016-17 Measures since Budget**

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Revenue measures</b>					
Supporting Australia's Future Shipbuilding Capability - ASC Pty Ltd structural changes	2.2				
Administered revenues		3,500	-	-	-
Asset Recycling Fund - not proceeding	2.8				
Administered revenues		-	(184,136)	(234,582)	(228,940)
National Disability Insurance Scheme - more flexible Commonwealth funding arrangements <sup>(a)</sup>	2.8				
Administered revenues		(75)	(137)	(140)	(36)
<b>Total</b>		<b>3,425</b>	<b>(184,273)</b>	<b>(234,722)</b>	<b>(228,976)</b>
<b>Total revenue measures</b>					
Administered		3,425	(184,273)	(234,722)	(228,976)
Departmental		-	-	-	-
<b>Total</b>		<b>3,425</b>	<b>(184,273)</b>	<b>(234,722)</b>	<b>(228,976)</b>

Table continues on next page

**Table 1.2: Department of Finance 2016-17 Measures since Budget (Continued)**

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Expense measures</b>					
Biosecurity Integrated Information System <sup>(b)</sup>	2.1				
Departmental expenses		-	-	-	-
Australian Security and Investments Commission Registry - not proceeding	2.1				
Departmental expenses		600	-	-	-
Investing in Medicare - modernising health and aged care payments services <sup>(c)</sup>	2.1				
Departmental expenses		(77)	-	-	-
Welfare Payment Infrastructure Transformation - Tranche Two <sup>(d)</sup>	2.1				
Departmental expenses		(58)	(115)	-	-
Supporting Australia's Future Shipbuilding Capability - ASC Pty Ltd structural changes	2.2				
Departmental expenses		(3,200)	(300)	-	-
Asset Recycling Fund - not proceeding	2.8				
Administered expenses		-	7,499	9,613	9,399
National Disability Insurance Scheme - more flexible Commonwealth funding arrangements <sup>(a)</sup>	2.8				
Administered expenses		3	5	5	1
Parliamentary Staff - additional support for crossbench, opposition, Greens and Government	3.1				
Administered expenses		(8,470)	(9,096)	(9,096)	(9,096)
Third Electorate Office for Large Electorates	3.1				
Administered expenses		(1,580)	(1,361)	(1,368)	(1,374)
<b>Total</b>		<b>(12,782)</b>	<b>(3,368)</b>	<b>(846)</b>	<b>(1,070)</b>
<b>Total expense measures</b>					
Administered		(10,047)	(2,953)	(846)	(1,070)
Departmental		(2,735)	(415)	-	-
<b>Total</b>		<b>(12,782)</b>	<b>(3,368)</b>	<b>(846)</b>	<b>(1,070)</b>

Table continues on next page

**Table 1.2: Department of Finance 2016-17 Measures since Budget (Continued)**

Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Capital measures</b>				
Third Electorate Office for Large Electorates	3.1			
Administered capital	(2,400)	-	-	-
<b>Total</b>	<b>(2,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital measures</b>				
Administered	(2,400)	-	-	-
Departmental	-	-	-	-
<b>Total</b>	<b>(2,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on a Government Finance Statistics (fiscal) basis.

- The lead entity for measure *National Disability Insurance Scheme – more flexible Commonwealth funding arrangements* is the Department of Social Services. The full measure description and package details appear in MYEFO under the Social Services Portfolio.
- The lead entity for the measure *Biosecurity Integrated Information System* is the Department of Agriculture and Water Resources. The full measure description and package details appear in the MYEFO under the Agriculture and Water Resources portfolio.
- The lead entity for measure *Investing in Medicare – modernising health and aged care payments services* is the Department of Health. The full measure description and package details appear in MYEFO under the Health Portfolio.
- The lead entity for measure *Welfare Payment Infrastructure Transformation – Tranche Two* is the Department of Social Services. The full measure description and package details appear in MYEFO under the Social Services Portfolio.



## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

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

**Table 1.3: Additional Estimates and Other Variations to Outcomes since the 2016-17 Budget**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 1</b>					
<b>Departmental</b>					
<b>Annual appropriations</b>					
Changes in Parameters		-	(352)	(416)	(556)
Efficiency Dividend Increase		-	(1,100)	(1,817)	(2,192)
Other Variations		-	-	-	2,183
<b>Net impact on appropriations for Outcome 1 (departmental)</b>		-	<b>(1,452)</b>	<b>(2,233)</b>	<b>(565)</b>
<b>Total net impact on appropriations for Outcome 1</b>		-	<b>(1,452)</b>	<b>(2,233)</b>	<b>(565)</b>

Table continues on next page

**Table 1.3: Additional Estimates and Other Variations to Outcomes since the 2016-17 Budget (Continued)**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 2</b>					
<b>Administered</b>					
<b>Annual appropriations</b>					
Other Variations		(576)	-	-	-
<b>Special appropriations     (including Special Accounts)</b>					
Other Variations		1,091,299	26,611	17,275	5,498
<b>Net impact on appropriations for Outcome 2 (administered)</b>		<b>1,090,723</b>	<b>26,611</b>	<b>17,275</b>	<b>5,498</b>
<b>Departmental</b>					
<b>Annual appropriations</b>					
Biosecurity Integrated Information System	2.1	-	-	-	-
Australian Security and Investments Commission Registry - not proceeding	2.1	(600)	-	-	-
Investing in Medicare - modernising health and aged care payments services	2.1	77	-	-	-
Welfare Payment Infrastructure Transformation - Tranche Two	2.1	58	115	-	-
Supporting Australia's Future Shipbuilding Capability - ASC Pty Ltd structural changes	2.2	3,200	300	-	-
Changes in Parameters		-	(380)	(447)	(589)
Efficiency Dividend Increase		-	(1,191)	(1,955)	(2,321)
Other Variations		993	1,516	1,516	1,516
<b>Net impact on appropriations for Outcome 2 (departmental)</b>		<b>3,728</b>	<b>360</b>	<b>(886)</b>	<b>(1,394)</b>
<b>Total net impact on appropriations for Outcome 2</b>		<b>1,094,451</b>	<b>26,971</b>	<b>16,389</b>	<b>4,104</b>

Table continues on next page

**Table 1.3: Additional Estimates and Other Variations to Outcomes since the 2016-17 Budget (Continued)**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 3</b>					
<b>Administered</b>					
<b>Annual appropriations</b>					
Parliamentary Staff - additional support for crossbench, opposition, Greens and Government	3.1	8,470	9,096	9,096	9,096
Changes in Parameters		-	(231)	(312)	(475)
Other Variations		2,724	7,349	12,056	14,856
<b>Special appropriations (including Special Accounts)</b>					
Third Electorate Office for Large Electorates	3.1	1,580	1,361	1,368	1,374
Changes in Parameters		-	(547)	(734)	(1,114)
Other Variations		2,506	2,516	2,515	2,515
<b>Net impact on appropriations for Outcome 2 (administered)</b>		<b>15,280</b>	<b>19,544</b>	<b>23,989</b>	<b>26,252</b>
<b>Outcome 3</b>					
<b>Departmental</b>					
<b>Annual appropriations</b>					
Changes in Parameters		-	(152)	(181)	(241)
Efficiency Dividend Increase		-	(475)	(789)	(951)
<b>Net impact on appropriations for Outcome 3 (departmental)</b>		<b>-</b>	<b>(627)</b>	<b>(970)</b>	<b>(1,192)</b>
<b>Total net impact on appropriations for Outcome 3</b>		<b>15,280</b>	<b>18,917</b>	<b>23,019</b>	<b>25,060</b>

Note: This table has been prepared on an appropriation basis. A positive amount indicates an increase to Finance's appropriation while a negative amount indicates a decrease to Finance's appropriation.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

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

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Administered items</b>					
<b>Outcome 1</b>					
Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.	-	-	-	-	-
<b>Outcome 2</b>					
Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.	14,052	16,739	16,739	-	-
<b>Outcome 3</b>					
Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, entitlements and targeted assistance.	277,928	281,370	292,564	11,194	-
<b>Total administered</b>	<b>291,980</b>	<b>298,109</b>	<b>309,303</b>	<b>11,194</b>	<b>-</b>

Table continues on next page

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

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Departmental programs</b>					
<b>Outcome 1</b>					
Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.	112,385	113,317	113,317	-	-
<b>Outcome 2</b>					
Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.	122,933	131,365	135,193	3,828	-
<b>Outcome 3</b>					
Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, entitlements and targeted assistance.	34,997	33,074	33,074	-	-
<b>Total departmental</b>	<b>270,315</b>	<b>277,756</b>	<b>281,584</b>	<b>3,828</b>	<b>-</b>
<b>Total administered and departmental</b>	<b>562,295</b>	<b>575,865</b>	<b>590,887</b>	<b>15,022</b>	<b>-</b>

Note: This table has been prepared on an appropriation basis. A positive amount indicates an increase to Finance's appropriation while a negative amount indicates a decrease to Finance's appropriation.

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

	2015-16 <i>Available</i> \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-operating</b>					
Equity injections	157,310	69,808	69,808	-	-
Administered assets and liabilities	1,759	1,672	1,890	218	-
<b>Total non-operating</b>	<b>159,069</b>	<b>71,480</b>	<b>71,698</b>	<b>218</b>	<b>-</b>

Note: This table has been prepared on an appropriation basis. A positive amount indicates an increase to Finance's appropriation while a negative amount indicates a decrease to Finance's appropriation.

## Section 2: Revisions to Outcomes and Planned Performance

### 2. CHANGES TO OUTCOME AND PROGRAM STRUCTURES

**Table 2: Changes to the Outcome and Program Structures since the 2016-17 Portfolio Budget Statements**

#### Program Changes

Program No.	Program title	Description of change
2.2	Transforming Government	Amendment to program delivery, performance criteria and targets, following transfer of certain ICT and other functions to the Digital Transformation Agency.
2.6	Service Delivery Office	New program established following the transfer of certain "shared service" functions previously undertaken by the Shared Services Centre.
2.7	Public Sector Superannuation	PBS program reference amended from 2.6.
2.8	Australian Government Investment Funds	PBS program reference amended from 2.7. Amendment to reflect the Government's announcement not to proceed with the establishment of the Asset Recycling Fund.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1:** Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.

### Budgeted Expenses for Outcome 1

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

**Table 2.1.1 Budgeted Expenses for Outcome 1**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 1.1: Budget and Financial Management</b>					
Departmental expenses					
Departmental appropriation <sup>(a)</sup>					
Budget Advice	54,643	50,518	48,180	47,974	48,083
Financial Reporting	25,220	35,524	24,696	24,356	24,389
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	5,083	3,692	11,080	11,080	11,079
<b>Departmental Total</b>	<b>84,946</b>	<b>89,734</b>	<b>83,956</b>	<b>83,411</b>	<b>83,552</b>
<b>Total expenses for program 1.1</b>	<b>84,946</b>	<b>89,734</b>	<b>83,956</b>	<b>83,411</b>	<b>83,552</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation <sup>(a)</sup>	79,863	86,042	72,876	72,331	72,472
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	5,083	3,692	11,080	11,080	11,079
<b>Departmental Total</b>	<b>84,946</b>	<b>89,734</b>	<b>83,956</b>	<b>83,411</b>	<b>83,552</b>
<b>Total expenses for Outcome 1</b>	<b>84,946</b>	<b>89,734</b>	<b>83,956</b>	<b>83,411</b>	<b>83,552</b>
<b>Average staffing level (number)</b>					
	423	397			

(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 's.74 Retained revenue receipts'.

(b) 'Expenses not requiring appropriation in the Budget Year' is made up of Depreciation Expenses and Amortisation Expenses.

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



**Table 2.1.2: Performance Criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It describes the results to be achieved with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

<p><b>Outcome 1 – Support sustainable Australian Government Finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.</b></p>
<p><b>Program 1.1 – Budget and Financial Management</b>                      No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.</p>

## 2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

**Outcome 2:** Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.

<b>Linked Programs:</b>
<b>Commonwealth Superannuation Corporation (CSC)</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 1.1 – Superannuation Scheme Governance</li> </ul>
<b>Future Fund Management Agency (FFMA)</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>Program 1.1 – Management of the Investment of the Future Fund.</li> <li>Program 1.2 – Management of the Australian Government Investment Funds</li> </ul>
<p>Finance program 2.7 – Public Sector Superannuation: Finance works with CSC and FFMA to ensure that the management of the public sector superannuation and provisions for meeting long-term liabilities to fund members is consistent with legislative obligations.</p> <p>Finance program 2.8 – Australian Government Investment Funds: Finance works with FFMA to ensure that the management of the Australian Government Investment Funds is consistent with legislation and maximises returns to taxpayers.</p>

### Budgeted Expenses for Outcome 2

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

**Table 2.2.1 Budgeted Expenses for Outcome 2**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 2.1: Public Sector Governance</b>					
Administered expenses					
Ordinary annual services					
(Appropriation Bill No. 1)					
Grant in Aid - Australian					
Institute of Policy and Science	35	36	37	38	39
Grant in Aid -					
Chifley Research Centre	223	228	233	239	244
Grant in Aid - Green Institute	84	86	88	90	92
Grant in Aid -					
Menzies Research Centre	223	228	233	239	244
Grant in Aid -					
Page Research Centre	84	86	88	90	92
Grant in Aid - Royal					
Humane Society of Australasia	26	26	27	28	28
Grant in Aid - RSPCA Australia Inc	35	36	37	38	39
<b>Administered Total</b>	<b>710</b>	<b>726</b>	<b>743</b>	<b>760</b>	<b>777</b>
Departmental expenses					
Departmental appropriation <sup>(a)</sup>					
Financial Framework	18,149	17,688	19,840	19,099	18,667
Procurement Framework	11,662	13,776	13,436	13,397	13,418
Government Shareholder Oversight	5,946	5,290	3,352	3,337	3,345
Special Financial Claims	2,171	2,198	2,098	2,088	2,094
Special accounts					
Business Services Special Account	271	-	-	-	-
Expenses not requiring appropriation					
in the Budget year <sup>(b)</sup>	1,973	1,595	1,790	1,790	1,790
<b>Departmental Total</b>	<b>40,172</b>	<b>40,547</b>	<b>40,516</b>	<b>39,711</b>	<b>39,314</b>
<b>Total expenses for program 2.1</b>	<b>40,882</b>	<b>41,273</b>	<b>41,259</b>	<b>40,471</b>	<b>40,091</b>

Table continues on next page

**Table 2.2.1 Budgeted Expenses for Outcome 2 (Continued)**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 2.2: Transforming Government</b>					
Departmental expenses					
Departmental appropriation <sup>(a)</sup>					
Transforming the Public Sector	30,093	28,855	12,866	12,532	11,416
Digital Transformation Agenda	30,874	20,932	18,058	16,940	16,974
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	1,945	4,059	3,830	3,830	3,830
<b>Departmental Total</b>	<b>62,912</b>	<b>53,845</b>	<b>34,754</b>	<b>33,302</b>	<b>32,219</b>
<b>Total expenses for program 2.2</b>	<b>62,912</b>	<b>53,845</b>	<b>34,754</b>	<b>33,302</b>	<b>32,219</b>
<b>Program 2.3: Property and Construction</b>					
Departmental expenses					
Special accounts					
Property Special Account 2014	87,949	145,722	112,227	105,497	95,954
<b>Departmental Total</b>	<b>87,949</b>	<b>145,722</b>	<b>112,227</b>	<b>105,497</b>	<b>95,954</b>
<b>Total expenses for program 2.3</b>	<b>87,949</b>	<b>145,722</b>	<b>112,227</b>	<b>105,497</b>	<b>95,954</b>
<b>Program 2.4: Insurance and Risk Management</b>					
Departmental expenses					
Special accounts					
Comcover Special Account	106,210	145,390	150,310	155,464	160,840
<b>Departmental Total</b>	<b>106,210</b>	<b>145,390</b>	<b>150,310</b>	<b>155,464</b>	<b>160,840</b>
<b>Total expenses for program 2.4</b>	<b>106,210</b>	<b>145,390</b>	<b>150,310</b>	<b>155,464</b>	<b>160,840</b>
<b>Program 2.5: Procurement Services</b>					
Departmental expenses					
Special accounts					
Coordinated Procurement					
Contracting Special Account	201,780	127,415	122,505	114,667	97,830
<b>Departmental Total</b>	<b>201,780</b>	<b>127,415</b>	<b>122,505</b>	<b>114,667</b>	<b>97,830</b>
<b>Total expenses for program 2.5</b>	<b>201,780</b>	<b>127,415</b>	<b>122,505</b>	<b>114,667</b>	<b>97,830</b>
<b>Program 2.6: Service Delivery Office</b>					
Departmental expenses					
Departmental appropriation <sup>(a)</sup>					
Service Delivery Office	-	14,663	25,138	25,067	25,104
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	-	551	912	912	912
<b>Departmental Total</b>	<b>-</b>	<b>15,214</b>	<b>26,050</b>	<b>25,979</b>	<b>26,016</b>
<b>Total expenses for program 2.6</b>	<b>-</b>	<b>15,214</b>	<b>26,050</b>	<b>25,979</b>	<b>26,016</b>

Table continues on next page

**Table 2.2.1 Budgeted Expenses for Outcome 2 (Continued)**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 2.7: Public Sector Superannuation</b>					
Administered expenses					
Ordinary annual services					
(Appropriation Bill No. 1)					
Act of Grace	1,896	4,794	4,962	2,408	2,348
Compensation					
and legal expenses	56	500	500	500	500
Superannuation					
administration costs	10,451	9,924	10,500	10,500	10,500
Special appropriations					
<i>Federal Circuit Court</i>					
<i>of Australia Act 1999</i>	704	927	781	795	808
<i>Governance of Australian Government</i>					
<i>Superannuation Schemes Act 2011</i>	634	1,000	1,000	1,000	1,000
<i>Governor-General Act 1974</i>	773	578	916	6,682	1,195
<i>Judges' Pensions Act 1968</i>	86,562	88,757	82,876	86,648	89,928
<i>Parliamentary Contributory</i>					
<i>Superannuation Act 1948</i>	48,356	40,033	48,921	49,077	47,744
<i>Parliamentary Superannuation</i>					
<i>Act 2004</i>	6,039	7,192	7,710	8,153	8,625
<i>Same-Sex Relationships (Equal</i>					
<i>Treatment in Commonwealth</i>					
<i>Laws General Law Reform)</i>					
<i>Act 2008</i>	264	44	57	47	40
<i>Superannuation Act 1922</i>	27,006	18,991	30,357	27,805	25,445
<i>Superannuation Act 1976</i>	2,943,640	2,430,317	3,382,301	3,329,009	3,274,636
<i>Superannuation Act 1990</i>	5,608,162	6,381,038	4,535,332	4,762,112	4,985,430
<b>Administered Total</b>	<b>8,734,543</b>	<b>8,984,095</b>	<b>8,106,213</b>	<b>8,284,736</b>	<b>8,448,199</b>
Departmental expenses					
Departmental appropriation <sup>(a)</sup>					
Public Sector Superannuation	4,743	8,866	4,644	4,626	4,636
Expenses not requiring appropriation					
in the Budget year <sup>(b)</sup>	254	254	245	246	245
<b>Departmental Total</b>	<b>4,997</b>	<b>9,120</b>	<b>4,890</b>	<b>4,871</b>	<b>4,882</b>
<b>Total expenses for program 2.7</b>	<b>8,739,540</b>	<b>8,993,215</b>	<b>8,111,103</b>	<b>8,289,607</b>	<b>8,453,081</b>

Table continues on next page

**Table 2.2.1 Budgeted Expenses for Outcome 2 (Continued)**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Program 2.8: Australian Government</b>					
Administered expenses					
Special accounts					
DisabilityCare Australia					
Fund Special Account <sup>(c)</sup>	24,668	343,411	556,376	3,503,224	1,012,511
Asset Recycling					
Fund Special Account <sup>(d)</sup>	-	-	-	-	-
Medical Research Future					
Fund Special Account <sup>(e)</sup>	17,946	77,006	150,559	255,078	460,446
Building Australia					
Fund Special Account <sup>(f)</sup>	18,632	126,094	1,604	-	-
Education Investment					
Fund Special Account <sup>(g)</sup>	90,063	26,351	3,911	-	-
Health and Hospitals					
Fund Special Account <sup>(h)</sup>	87,728	-	-	-	-
<b>Administered Total</b>	<b>239,037</b>	<b>572,862</b>	<b>712,450</b>	<b>3,758,302</b>	<b>1,472,957</b>
<b>Total expenses for program 2.8</b>	<b>239,037</b>	<b>572,862</b>	<b>712,450</b>	<b>3,758,302</b>	<b>1,472,957</b>

Table continues on next page

**Table 2.2.1 Budgeted Expenses for Outcome 2 (Continued)**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Outcome 2 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services					
(Appropriation Bill No. 1)	13,113	15,944	16,705	14,168	14,125
Special appropriations	8,722,140	8,968,877	8,090,251	8,271,328	8,434,851
Special accounts	239,037	572,862	712,450	3,758,302	1,472,957
<b>Administered Total</b>	<b>8,974,290</b>	<b>9,557,683</b>	<b>8,819,406</b>	<b>12,043,798</b>	<b>9,921,933</b>
Departmental expenses					
Departmental appropriation <sup>(a)</sup>	103,638	112,267	99,433	97,085	95,654
Special accounts	396,210	418,527	385,041	375,627	354,624
Expenses not requiring appropriation					
in the Budget year <sup>(b)</sup>	4,172	6,458	6,778	6,778	6,778
<b>Departmental Total</b>	<b>504,020</b>	<b>537,252</b>	<b>491,252</b>	<b>479,491</b>	<b>457,056</b>
<b>Total expenses for Outcome 2</b>	<b>9,478,310</b>	<b>10,094,935</b>	<b>9,310,658</b>	<b>12,523,289</b>	<b>10,378,989</b>
	2015-16	2016-17			
<b>Average staffing level (number)</b>	<b>643</b>	<b>724</b>			

- (a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 's.74 Retained revenue receipts'.
- (b) Expenses not requiring appropriation in the Budget Year' is made up of Depreciation Expenses and Amortisation Expenses.
- (c) More information on the DisabilityCare Australia Fund can be found in Table 2.2.1.1 on page 30.
- (d) The Asset Recycling Fund (ARF) estimates are zero, consistent with the Government's announcement in the 2016-17 MYEFO to no longer proceed with the establishment of the ARF. More information can be found in Table 2.2.1.2 on page 31.
- (e) More information on the Medical Research Future Fund can be found in Table 2.2.1.3 on page 32.
- (f) The Building Australia Fund is to be closed, subject to the passage of legislation. More information can be found in Table 2.2.1.4 on page 33.
- (g) The Education Investment Fund is to be closed, subject to the passage of legislation. More information can be found in Table 2.2.1.5 on page 34.
- (h) The Health and Hospitals Fund was closed on 29 October 2015. More information can be found in Table 2.2.1.6 on page 35.

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

**Table 2.2.1.1: DisabilityCare Australia Fund (DCAF) – Estimates of Fund Balances**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>DisabilityCare Australia Fund <sup>(a)</sup></b>					
Opening balance	2,514,662	6,084,040	6,720,749	6,344,831	671,096
Revenue and gains					
Additional Medicare Levy - Equity	3,449,500	3,852,000	4,011,000	4,198,000	4,395,000
Investment earnings and gains	123,797	118,271	158,889	65,570	-
Expenses					
Management fees	(3,919)	(3,907)	(5,406)	(2,336)	-
Transfers to reimburse accounts for DisabilityCare Australia expenditure <sup>(b)</sup>					
Commonwealth - Equity	-	(2,990,150)	(3,989,430)	(6,434,187)	(4,053,478)
States and Territories - Expense	-	(339,505)	(550,971)	(3,500,782)	(1,012,618)
<b>Closing balance</b>	<b>6,084,040</b>	<b>6,720,749</b>	<b>6,344,831</b>	<b>671,096</b>	<b>-</b>

(a) The DCAF consists of the DCAF Special Account and investments of the DCAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the DCAF, including interest and Medicare Levy proceeds received and payments.

(b) The transfers relate to reimbursing the Commonwealth and the States and Territories for the costs of the operations of the National Disability Insurance Scheme (NDIS).

Note: The expenses figure for 2015-16 does not include losses made on investments; rather this amount has been applied against Investment earnings and gains.



**Table 2.2.1.2: Asset Recycling Fund (ARF) – Estimates of Fund Balances**

Table 2.2.1.2 Asset Recycling Fund – Estimates of Fund Balances has not been produced, consistent with the Government’s announcement in the 2016-17 MYEFO to no longer proceed with the establishment of the ARF.

**Table 2.2.1.3: Medical Research Future Fund (MRFF) – Estimates of Fund Balances**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Medical Research Future Fund <sup>(a)</sup></b>					
Opening balance	-	3,206,407	4,578,581	7,200,984	9,948,258
Investment credits <sup>(b)</sup>	3,149,351	1,277,358	2,534,186	2,671,744	8,258,841
Revenue and gains					
Investment earnings and gains	60,384	171,822	238,776	330,608	654,390
Expenses					
Management fees	(3,328)	(16,130)	(28,994)	(40,165)	(74,073)
Transfers to Portfolio Special					
Accounts for project payments					
MRFF Health Portfolio					
Special Account -					
Expense	-	(60,876)	(121,565)	(214,913)	(386,373)
<b>Closing balance</b>	<b>3,206,407</b>	<b>4,578,581</b>	<b>7,200,984</b>	<b>9,948,258</b>	<b>18,401,043</b>

- (a) The MRFF consists of the MRFF Special Account and investments of the MRFF. The investments will be managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the MRFF, including interest received and payments.
- (b) Credits consist of uncommitted funds from the Health and Hospitals Fund (HHF), plus further contributions consisting of amounts equivalent to the estimated value of health function savings published in the 2014-15 Budget adjusted for any subsequent associated Government decisions, until the capital value of the MRFF reaches \$20 billion.

Note: The expenses figure for 2015-16 does not include losses made on investments; rather this amount has been applied against Investment earnings and gains.

**Table 2.2.1.4: Building Australia Fund (BAF) – Estimates of Fund Balances**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Building Australia Fund <sup>(a)</sup></b>					
Opening balance	3,612,531	3,695,480	3,325,849	-	-
Revenue and gains					
Investment earnings and gains	93,441	95,463	41,431	-	-
Expenses					
Management fees	(3,572)	(3,494)	(1,604)	-	-
Transfers to Portfolio Special accounts for project payments <sup>(b)</sup>					
BAF Infrastructure Portfolio Special Account - Expense	(6,920)	(122,600)	-	-	-
BAF Infrastructure Portfolio Special Account - Equity	-	(339,000)	-	-	-
Closure: Transfer to Consolidated Revenue Fund - Equity	-	-	(3,365,676)	-	-
<b>Closing balance</b>	<b>3,695,480</b>	<b>3,325,849</b>	<b>-</b>	<b>-</b>	<b>-</b>

- (a) The BAF consists of the BAF Special Account and investments of the BAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the BAF, including interest received and payments. The BAF will continue to pay existing commitments until it is abolished by 1 July 2017 through a repeal of the *Nation-building Funds Act 2008*, and remaining funds will be transferred to the Consolidated Revenue Fund (CRF). After the fund is abolished, committed funds will continue to be paid from the CRF and administered by the Department of Infrastructure and Regional Development. Uncommitted funds will be transferred to the CRF.
- (b) The transfers relate to projects approved as at the time of the Budget. Amounts to be paid to the States and Territories may be transferred, through the relevant BAF Portfolio Special Account, to the COAG Reform Fund Special Account. Amounts also include payments classified as equity transfers in the budgeted financial statements.

Note: The expenses figure for 2015-16 does not include losses made on investments; rather this amount has been applied against Investment earnings and gains.

**Table 2.2.1.5: Education Investment Fund (EIF) – Estimates of Fund Balances**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Education Investment Fund <sup>(a)</sup></b>					
Opening balance	3,685,377	3,719,973	3,790,014	-	-
Revenue and gains					
Investment earnings and gains	94,242	96,392	47,208	-	-
Expenses					
Management fees	(3,892)	(3,758)	(1,911)	-	-
Transfers to Portfolio Special accounts for project payments <sup>(b)</sup>					
EIF Education Portfolio Special Account - Expense	(55,754)	(22,593)	(2,000)	-	-
Closure: Transfer to Consolidated Consolidated Revenue Fund - Equity	-	-	(3,833,311)	-	-
<b>Closing balance</b>	<b>3,719,973</b>	<b>3,790,014</b>	<b>-</b>	<b>-</b>	<b>-</b>

- (a) The EIF consists of the EIF Special Account and investments of the EIF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the EIF, including interest received and payments. The EIF will continue to pay existing commitments until it is abolished by 1 July 2017 through a repeal of the *Nation-building Funds Act 2008*, and remaining funds will be transferred to the Consolidated Revenue Fund (CRF). After the fund is abolished, committed funds will continue to be paid from the CRF and administered by the Department of Education and Training. Uncommitted funds will be transferred to the CRF.
- (b) The transfers relate to projects approved as at the time of Budget. Amounts to be paid to the States and Territories may be transferred, through the relevant EIF Portfolio Special Account, to the COAG Reform Fund Special Account. Amounts also include payments classified as equity transfers in the budgeted financial statements.

Note: The expenses figure for 2015-16 does not include losses made on investments; rather this amount has been applied against Investment earnings and gains.

**Table 2.2.1.6: Health and Hospitals Fund (HHF) – Estimates of Fund Balances**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	estimated	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Health and Hospitals</b>					
<b>Fund <sup>(a)</sup></b>					
Opening balance	1,508,866	-	-	-	-
Revenue and gains					
Investment earnings and gains	9,171	-	-	-	-
Expenses					
Management fees	(320)	-	-	-	-
Transfers to Portfolio Special					
Special accounts for project payments					
HHF Health Portfolio					
Special Account - Expense	(54,984)	-	-	-	-
Closure: Transfer to					
Consolidated Revenue					
Fund - Equity	(1,462,733)	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-

(a) The HHF consisted of the HHF Special Account and investments of the HHF. The investments were managed by the Future Fund Board of Guardians. The special account was used to record all transactions relating to the HHF, including interest received and payments. The HHF was closed on 29 October 2015, with remaining funds transferred to the Consolidated Revenue Fund (CRF). Uncommitted funds were transferred from the CRF to the Medical Research Future Fund (MRFF).

Note: The expenses figure for 2015-16 does not include losses made on investments; rather this amount has been applied against Investment earnings and gains.

**Table 2.2.2: Performance Criteria for Outcome 2**

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It describes the results to be achieved with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

<b>Outcome 2</b> – Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.	
<b>Program 2.1 - Public Sector Governance</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.	
<b>Program 2.2 – Transforming Government</b> This program contributes to the outcome through providing leadership and supporting decision making relating to the digital economy and use of technology in government operations; and scoping divestment opportunities and managing asset sales and any residual issues arising from previous asset sales. <i>(Amended since 2016-17 Portfolio Budget Statements – sections on ICT functions have been removed, reflecting the Government's decision to transfer certain ICT functions to the Digital Transformation Agency)</i>	
<b>Delivery</b> <i>Amended since 2016-17 Portfolio Budget Statements, with sections on Improving Whole of Government ICT amended. This reflects the Government's decision to transfer certain ICT functions to the Digital Transformation Agency.</i>	<b>Transforming the Public Sector</b> <ul style="list-style-type: none"> <li>• Supporting the Government's transformation agenda through key projects, including the Efficiency through Contestability Program; the Shared and Common Services project; and advising the government on delivering its Smaller Government objectives.</li> <li>• Providing advice to the government on the efficient and effective delivery of government activities.</li> <li>• Delivering scoping studies to the government and implementing agreed scoping study outcomes.</li> <li>• Implementing recommendations from the Independent Review of the Whole of Government Internal Regulations for the Government.</li> </ul> <b>Improving Whole of Australian Government (WoAG) ICT</b> <ul style="list-style-type: none"> <li>• Informing ICT investment decisions through the Budget process.</li> <li>• Providing appropriate WoAG ICT services, including communications networks and online services to entities.</li> </ul>
<b>Purposes</b>	Transformation <i>(Not changed since the 2016-17 Portfolio Budget Statements)</i>

Table continues on next page

**Table 2.2.2: Performance Criteria for Outcome 2 (Continued)**

<b>Performance information: Program 2.2 – Transforming Government</b>		
<b>Year</b>	<b>Performance Criteria</b>	<b>Targets</b>
2016-17 <i>(Amended since 2016-17 Portfolio Budget Statements – sections on ICT functions have been amended, reflecting the Government's decision to transfer certain ICT functions to the Digital Transformation Agency)</i>	<u>Transforming Public Sector</u> <ul style="list-style-type: none"> <li>• Drive the government's transformation agenda through supporting entities to become more effective and efficient.</li> </ul> <u>WoAG ICT is improved</u> <ul style="list-style-type: none"> <li>• Providing appropriate WoAG ICT services to entities.</li> </ul>	<u>Transforming Public Sector</u> <ul style="list-style-type: none"> <li>• Majority of significant entities have conducted internal red tape reduction reviews.</li> <li>• Majority of significant entities are engaged with Shared and Common Services agenda/on track to deliver the government's agenda of a smaller, more efficient and better connected public sector.</li> <li>• Forward work programs for all Functional and Efficiency and Contestability Reviews, are agreed between entities.</li> <li>• Grants.gov.au rolled out by June 2017.</li> </ul> <u>Improving WoAG ICT</u> <ul style="list-style-type: none"> <li>• Useful capability of govCMS demonstrated by 30-45 websites using the platform by 30 June 2017.</li> </ul>
2017-18 and beyond	As per 2016-17	As per 2016-17
<b>Program 2.3 - Property and Construction</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.		
<b>Program 2.4 – Insurance and Risk Management</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.		
<b>Program 2.5 – Procurement Services</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.		

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**Table 2.2.2: Performance Criteria for Outcome 2 (Continued)**

<b>Program 2.6 – Service Delivery Office</b> This program contributes to the outcome through providing certain corporate services to client Australian Government entities. <i>This is a new program, added since the 2016-17 Portfolio Budget Statements. This reflects the Government's decision to transfer certain functions undertaken by the previous Shared Services Centre (managed jointly by the Department of Education and Training and the Department of Employment) to the Department of Finance.</i>		
<b>Delivery</b> <i>New program, added since the 2016-17 Portfolio Budget Statements.</i>	Providing the following services to client Australian Government entities: <ul style="list-style-type: none"> <li>• Accounts payable and receivable</li> <li>• Credit Card Management</li> <li>• Domestic Travel Contract Management and Overseas Travel Facilitation.</li> <li>• Payroll and payroll systems administration</li> <li>• ICT functions supporting the SAP Enterprise Resource Planning (ERP) Solution.</li> </ul>	
<b>Purposes</b>	Services	
<b>Year</b>	<b>Performance Criteria</b>	<b>Targets</b>
2016-17 <i>New program, added since the 2016-17 Portfolio Budget Statements.</i>	<ul style="list-style-type: none"> <li>• The Service Delivery Office is transitioned to Finance.</li> </ul>	<ul style="list-style-type: none"> <li>• The Service Delivery Office is fully established within Finance.</li> <li>• Standard Service Agreement is developed for delivery of services to client entities.</li> <li>• Business continuity and service delivery maintained.</li> </ul>
2017-18 and beyond <i>New program, added since the 2016-17 Portfolio Budget Statements.</i>	<ul style="list-style-type: none"> <li>• Services are delivered as agreed with client entities.</li> </ul>	<ul style="list-style-type: none"> <li>• All services agreed for delivery between Finance and client entities delivered in accordance with agreed service standards.</li> </ul>
<b>Program 2.7 – Public Sector Superannuation</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.		
<b>Program 2.8 – Australian Government Investment Funds</b> This program contributes to the outcome through providing advice on investment mandates and governance arrangements for the government's Investment Funds, to maximise the value of the funds to the Government. This includes advice on credit of amounts to the Funds and debits for payments from the Funds. The Funds are: <ul style="list-style-type: none"> <li>• DisabilityCare Australia Fund (DCAF).</li> <li>• Medical Research Future Fund (MRFF).</li> <li>• Building Australia Fund (BAF).</li> <li>• Education Investment Fund (EIF).</li> </ul> The BAF and EIF will be closed, subject to the passage of legislation. The Health and Hospitals Fund was closed in 2015. <i>Amended since 2016-17 Budget to reflect the Government's announcement in the 2016-17 Mid Year Economic and Fiscal Outlook that it would no longer proceed with the establishment of the Asset Recycling Fund. References to the Health and Hospitals Fund have also been removed as they are not relevant for 2016-17 onwards.</i>  <i>No changes have been made to this program's purpose, performance criteria and targets since the 2016-17 Portfolio Budget Statements.</i>		



## 2.3 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

**Outcome 3:** Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, entitlements and targeted assistance.

### Budgeted Expenses for Outcome 3

This table shows how much Finance 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 2.3.1 Budgeted Expenses for Outcome 3**

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 3.1: Ministerial and Parliamentary Services</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Electorate and ministerial support costs	351,471	284,539	290,890	296,649	300,495
Australian Political Exchange Program	356	902	914	927	940
Australian Political Parties for Democracy Program	-	2,200	2,200	2,200	2,200
Special appropriations					
<i>Commonwealth of Australia Constitution Act (s66)</i>	4,900	4,966	4,966	4,966	4,966
<i>Members of Parliament (Life Gold Pass) Act 2002</i>	(6,914)	1,168	1,056	1,071	1,086
<i>Parliamentary Entitlements Act 1990</i>	169,237	184,549	185,613	191,864	190,285
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	16,199	12,371	8,726	3,539	11,369
<b>Administered Total</b>	<b>535,249</b>	<b>490,695</b>	<b>494,365</b>	<b>501,216</b>	<b>511,341</b>
Departmental expenses					
Departmental appropriation <sup>(b)</sup>					
Services to Senators, Members and their staff	42,477	40,669	37,778	37,149	37,238
Car-with-driver and associated transport services	1,835	674	644	641	643
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	4,756	2,449	2,540	2,540	2,540
<b>Departmental Total</b>	<b>49,068</b>	<b>43,792</b>	<b>40,962</b>	<b>40,330</b>	<b>40,420</b>
<b>Total expenses for program 3.1</b>	<b>584,317</b>	<b>534,487</b>	<b>535,327</b>	<b>541,546</b>	<b>551,761</b>

Table continues on next page

**Table 2.3.1 Budgeted Expenses for Outcome 3 (Continued)**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
	expenses	expenses	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Outcome 3 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services					
Appropriation Bill No. 1	351,827	287,641	294,004	299,776	303,635
Special appropriations	167,223	190,683	191,635	197,901	196,337
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	16,199	12,371	8,726	3,539	11,369
<b>Administered Total</b>	<b>535,249</b>	<b>490,695</b>	<b>494,365</b>	<b>501,216</b>	<b>511,341</b>
Departmental expenses					
Departmental appropriation <sup>(b)</sup>	44,312	41,343	38,422	37,790	37,880
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	4,756	2,449	2,540	2,540	2,540
<b>Departmental Total</b>	<b>49,068</b>	<b>43,792</b>	<b>40,962</b>	<b>40,330</b>	<b>40,420</b>
<b>Total expenses for Outcome 3</b>	<b>584,317</b>	<b>534,487</b>	<b>535,327</b>	<b>541,546</b>	<b>551,761</b>
<b>Average staffing level (number)</b>					
	229	237			

(a) 'Expenses not requiring appropriation in the Budget year' is made up of Depreciation Expenses and Amortisation Expenses.

(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 's.74 retained revenue receipts'.

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

**Table 2.3.2: Performance Criteria for Outcome 3**

Table 2.3.2 below details the performance criteria for each program associated with Outcome 3. It describes the results to be achieved with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

<b>Outcome 3</b> – Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, entitlements and targeted assistance.
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<b>Program 3.1 – Ministerial and Parliamentary Services</b>
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No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.
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## Section 3: Special Account Flows and Budgeted Financial Statements

### 3.1 SPECIAL ACCOUNT FLOWS

#### Estimates of Special Account Flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by Finance.

**Table 3.1: Estimates of Special Account Flows and Balances**

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
DisabilityCare Australia Fund Special Account (A) <sup>(a)</sup>	2					
2016-17		-	7,276,974	(7,276,974)	-	-
<i>DisabilityCare Australia Fund Special Account (A) <sup>(a)</sup></i>	2					
2015-16		-	7,842,121	(7,842,121)	-	-
Medical Research Future Fund Special Account (A) <sup>(b)</sup>	2					
2016-17		-	1,483,540	(1,483,540)	-	-
<i>Medical Research Future Fund Special Account (A) <sup>(b)</sup></i>	2					
2015-16		-	5,831,125	(5,831,125)	-	-
Building Australia Fund Special Account (A) <sup>(c)</sup>	2					
2016-17		-	547,659	(547,659)	-	-
<i>Building Australia Fund Special Account (A) <sup>(c)</sup></i>	2					
2015-16		-	3,599,808	(3,599,808)	-	-
Education Investment Fund Special Account (A) <sup>(d)</sup>	2					
2016-17		-	108,306	(108,306)	-	-
<i>Education Investment Fund Special Account (A) <sup>(d)</sup></i>	2					
2015-16		-	4,188,806	(4,188,806)	-	-
Health and Hospitals Fund Special Account (A) <sup>(e)</sup>	2					
2016-17		-	-	-	-	-
<i>Health and Hospitals Fund Special Account (A) <sup>(e)</sup></i>	2					
2015-16		-	1,920,892	(1,920,892)	-	-

Table continues on next page

**Table 3.1: Estimates of Special Account Flows and Balances (Continued)**

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
Services for Other Entities and Trust Monies Special Account (A) <sup>(f)</sup>	2					
2016-17		-	-	-	-	-
<i>Services for Other Entities and     Trust Monies Special Account (A) <sup>(f)</sup></i>	2					
2015-16		-	-	-	-	-
Business Services Special Account (D)	2					
2016-17		5,856	-	-	-	5,856
<i>Business Services Special     Account (D)</i>	2					
2015-16		5,794	645	(583)	-	5,856
Comcover Special Account (D) <sup>(g)</sup>	2					
2016-17		434,543	145,789	(142,454)	-	437,878
<i>Comcover Special Account (D) <sup>(g)</sup></i>	2					
2015-16		380,573	137,737	(83,767)	-	434,543
Coordinated Procurement Contracting Special Account (D)	2					
2016-17		48,728	127,535	(126,792)	-	49,471
<i>Coordinated Procurement     Contracting Special Account (D)</i>	2					
2015-16		110,850	133,368	(195,490)	-	48,728
Property Special Account 2014 (D)	2					
2016-17		239,295	251,253	(312,344)	-	178,204
<i>Property Special     Account 2014 (D)</i>	2					
2015-16		218,995	228,452	(208,152)	-	239,295
<b>Total Special Accounts</b>						
<b>2016-17 Budget estimate</b>		<b>728,422</b>	<b>9,941,056</b>	<b>(9,998,069)</b>	<b>-</b>	<b>671,409</b>
<i>Total Special Accounts</i>						
<i>2015-16 actual</i>		<i>716,212</i>	<i>23,882,954</i>	<i>(23,870,744)</i>	<i>-</i>	<i>728,422</i>

(A) = Administered

(D) = Departmental

- (a) The DisabilityCare Australia Fund has been established for holding and investing the additional Medicare Levy proceeds for the purpose of making payments to reimburse the Commonwealth and the States and Territories for costs incurred in relation to the National Disability Insurance Scheme (NDIS). More information on the DisabilityCare Australia Fund can be found in Table 2.2.1.1.
- (b) More information on the Medical Research Future Fund can be found in Table 2.2.1.3.
- (c) More information on the Building Australia Fund can be found in Table 2.2.1.4.
- (d) More information on the Education Investment Fund can be found in Table 2.2.1.5.
- (e) More information on the Health and Hospitals Fund can be found in Table 2.2.1.6.
- (f) Represents monies held in trust for other persons and is therefore not included in Finance's estimates. Budget and forward estimates are not included as future transactions cannot be anticipated.
- (g) The 'Receipts' column in this table includes \$10.2m (2015-16) and \$9.1m (2016-17) for Interest Equivalency Payments appropriated in departmental Appropriation Bill 1 in each year and credited to the Comcover Special Account.

Note: The Lands Acquisition Account (*Lands Acquisition Act 1989*) has not been included in the table as it is not currently active.



## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of Budgeted Financial Statements**

#### **Budgeted Statement of Comprehensive Income - Departmental**

Finance is projecting a \$25.6m surplus for 2016-17, up from the \$18.1m surplus projected at budget. This is primarily due to revisions of depreciation estimates.

#### **Budgeted Balance Sheet – Departmental**

The budgeted equity position for 2016-17 is \$2,162.0m, up from \$1,972.7m projected at budget. This is due a combination of lower-than-budgeted transfers of land and buildings to other agencies in 2015-16, as well as revaluation adjustments in Finance's property portfolio conducted as part of the 2015-16 financial statements.

#### **Schedule of Administered Activity**

Estimated administered income for 2016-17 is \$1,798.5m, down from \$1,878.7m projected at budget. This is primarily due to revisions in estimates for superannuation contributions.

Estimated administered expenses for 2016-17 is \$10,048.4m, up from \$8,877.9m projected at budget. This is primarily due to revisions of superannuation estimates.

#### **Budgeted Schedule of Assets and Liabilities – Administered**

Administered assets are estimated to total \$19,064.5m by 30 June 2017, down from \$19,119.1m projected at budget.

Administered liabilities are estimated to total \$110,824.9m by 30 June 2017, down from \$111,308.2m recorded at budget.

### 3.2.2 Budgeted Financial Statements

**Table 3.2: Comprehensive Income Statement (Showing Net Cost of Services) for the Period Ended 30 June**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	170,357	173,486	180,714	180,213	180,318
Suppliers	323,482	298,628	229,199	224,469	207,141
Depreciation and amortisation <sup>(a)</sup>	27,408	25,723	33,975	34,316	34,805
Net losses from asset sales <sup>(b)</sup>	1,157	-	1,471	541	-
Losses on valuation of investment property	-	2,906	-	13,418	8,576
Insurance claims	94,296	132,090	137,049	142,149	147,457
Other expenses	21,333	7,252	7,252	7,252	7,252
<b>Total expenses</b>	<b>638,033</b>	<b>640,085</b>	<b>589,660</b>	<b>602,358</b>	<b>585,549</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Rendering of services	229,162	157,532	150,290	140,919	125,105
Insurance premiums	126,708	136,722	141,622	146,847	152,276
Rental income	72,119	75,322	81,765	84,584	86,882
Other revenue	13,581	7,200	5,600	5,600	5,600
<b>Total own-source revenue</b>	<b>441,570</b>	<b>376,776</b>	<b>379,277</b>	<b>377,950</b>	<b>369,863</b>
<b>Gains</b>					
Gains on valuation of investment property	40,436	-	2,283	-	-
Net gains from asset sales	-	12,667	-	-	-
Other gains <sup>(c)</sup>	2,030	1,385	1,385	1,385	1,385
<b>Total gains</b>	<b>42,466</b>	<b>14,052</b>	<b>3,668</b>	<b>1,385</b>	<b>1,385</b>
<b>Total own-source income</b>	<b>484,036</b>	<b>390,828</b>	<b>382,945</b>	<b>379,335</b>	<b>371,248</b>
<b>Net cost of (contribution) by services</b>	<b>(153,997)</b>	<b>(249,257)</b>	<b>(206,715)</b>	<b>(223,023)</b>	<b>(214,301)</b>
Revenue from government	271,315	278,922	241,740	242,791	242,049
<b>Surplus/(deficit) before income tax</b>	<b>117,318</b>	<b>29,665</b>	<b>35,025</b>	<b>19,768</b>	<b>27,748</b>
Income tax expense	3,843	4,052	4,052	4,052	4,052
<b>Surplus/(deficit) after income tax</b>	<b>113,475</b>	<b>25,613</b>	<b>30,973</b>	<b>15,716</b>	<b>23,696</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>113,475</b>	<b>25,613</b>	<b>30,973</b>	<b>15,716</b>	<b>23,696</b>

Table continues on next page



**Table 3.2: Comprehensive Income Statement (Showing Net Cost of Services) for the Period Ended 30 June (Continued)**

**Note: Impact of Net Cash Appropriation Arrangements**

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Total comprehensive income/ (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations.</b>	<b>100,153</b>	<b>12,963</b>	<b>10,534</b>	<b>(4,723)</b>	<b>3,257</b>
less depreciation/amortisation expenses previously funded through revenue appropriations <sup>(a)</sup>	(13,322)	(12,650)	(20,439)	(20,439)	(20,439)
<b>Total comprehensive income/ (loss) - as per the Comprehensive Income Statement</b>	<b>113,475</b>	<b>25,613</b>	<b>30,973</b>	<b>15,716</b>	<b>23,696</b>

Prepared on Australian Accounting Standards basis.

- (a) Depreciation and Amortisation Expenses highlighted under 'Expenses' represents total depreciation and amortisation expenses for Finance. The 'non appropriated' depreciation and amortisation figure at the bottom of this table excludes non-Defence domestic property portfolio depreciation and amortization expenses in the Property Special Account 2014.
- (b) Represents the net gain/loss from the government's non-Defence Property Divestment Program within Australia.
- (c) Other gains represent resources received free of charge for financial statement audit services from the Australian National Audit Office.

**Table 3.3: Budgeted Departmental Balance Sheet (as at 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents <sup>(a)</sup>	3,320	5,000	5,000	5,000	5,000
Trade and other receivables <sup>(b)</sup>	978,156	887,473	883,342	874,712	901,023
Other financial assets	33,861	33,861	33,861	33,861	33,861
<b>Total financial assets</b>	<b>1,015,337</b>	<b>926,334</b>	<b>922,203</b>	<b>913,573</b>	<b>939,884</b>
<b>Non-financial assets</b>					
Land and buildings <sup>(c)</sup>	1,092,280	1,134,462	1,124,417	1,103,984	1,089,776
Property, plant and equipment	28,673	59,315	77,505	96,619	100,871
Investment property <sup>(c)</sup>	626,437	627,410	631,057	617,639	609,063
Intangibles	71,819	107,207	108,603	107,940	107,288
Other non-financial assets	11,274	11,274	11,274	11,274	11,274
<b>Total non-financial assets</b>	<b>1,830,483</b>	<b>1,939,668</b>	<b>1,952,856</b>	<b>1,937,456</b>	<b>1,918,272</b>
<b>Total assets</b>	<b>2,845,820</b>	<b>2,866,002</b>	<b>2,875,059</b>	<b>2,851,029</b>	<b>2,858,156</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	93,172	99,720	106,268	112,816	119,364
Unearned Revenue	85,945	85,945	85,945	85,945	85,945
Return of equity	65,323	65,323	65,323	65,323	65,323
Other payables	11,947	12,714	13,481	14,248	15,015
<b>Total payables</b>	<b>256,387</b>	<b>263,702</b>	<b>271,017</b>	<b>278,332</b>	<b>285,647</b>
<b>Provisions</b>					
Employee provisions	63,992	66,424	68,856	71,288	73,720
Outstanding insurance claims	352,587	352,587	352,587	352,587	352,587
Other provisions	24,774	21,274	21,274	21,274	21,274
<b>Total provisions</b>	<b>441,353</b>	<b>440,285</b>	<b>442,717</b>	<b>445,149</b>	<b>447,581</b>
<b>Total liabilities</b>	<b>697,740</b>	<b>703,987</b>	<b>713,734</b>	<b>723,481</b>	<b>733,228</b>
<b>Net assets</b>	<b>2,148,080</b>	<b>2,162,015</b>	<b>2,161,325</b>	<b>2,127,548</b>	<b>2,124,928</b>
<b>EQUITY <sup>(d)</sup></b>					
Contributed equity	1,618,297	1,689,671	1,715,447	1,711,175	1,719,840
Reserves	177,262	177,262	177,262	177,262	177,262
Retained surplus	352,521	295,082	268,616	239,111	227,826
<b>Total Equity</b>	<b>2,148,080</b>	<b>2,162,015</b>	<b>2,161,325</b>	<b>2,127,548</b>	<b>2,124,928</b>

Prepared on Australian Accounting Standards basis.

- (a) The departmental cash balance is maintained at \$5m. Cash in excess of this balance is returned to the Office of Public Account (OPA), recorded as a receivable and drawn down as required.
- (b) Primarily represents appropriation receivable (including capital appropriation) and the special accounts.
- (c) Primarily represents properties in the Australian Government's non-Defence property portfolio.
- (d) Equity is the residual interest in assets after deduction of liabilities.

**Table 3.4: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2016-17)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2016</b>				
Balance carried forward from previous period	352,521	177,262	1,618,297	2,148,080
<b>Adjusted opening balance</b>	<b>352,521</b>	<b>177,262</b>	<b>1,618,297</b>	<b>2,148,080</b>
<b>Comprehensive income</b>				
Surplus (deficit) for the period	25,613	-	-	25,613
<b>Total comprehensive income</b>	<b>25,613</b>	<b>-</b>	<b>-</b>	<b>25,613</b>
<b>Transactions with owners</b>				
<b>Distributions to owners</b>				
Returns on capital:				
Returns of contributed equity	(83,052)	-	3,002	(80,050)
<b>Contributions by owners</b>				
Equity Injection - Appropriation <sup>(a)</sup>	-	-	69,808	69,808
Departmental Capital Budget (DCB)	-	-	-	-
Restructuring <sup>(b)</sup>	-	-	(1,437)	(1,437)
<b>Sub-total transactions with owners</b>	<b>(83,052)</b>	<b>-</b>	<b>71,373</b>	<b>(11,679)</b>
<b>Estimated closing balance as at 30 June 2017</b>	<b>295,082</b>	<b>177,262</b>	<b>1,689,670</b>	<b>2,162,014</b>

Prepared on Australian Accounting Standards basis.

(a) Equity injections for construction and ICT projects.

(b) Represents transfers of assets and liabilities to other Commonwealth entities.

**Table 3.5: Budgeted Departmental Statement of Cash Flows (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Rendering of services	225,118	233,125	232,327	225,775	212,257
Appropriations	259,944	369,333	245,599	251,149	215,466
Insurance premiums	125,149	136,722	141,622	146,847	152,276
Transfers from OPA	16,120	-	-	-	-
Other	10,055	7,200	5,600	5,600	5,600
<b>Total cash received</b>	<b>636,386</b>	<b>746,380</b>	<b>625,148</b>	<b>629,371</b>	<b>585,599</b>
<b>Cash used</b>					
Employees	169,842	171,054	178,282	177,781	177,886
Suppliers	326,138	290,695	221,266	216,536	199,208
Insurance claims	70,713	132,090	137,049	142,149	147,457
Transfers to OPA	-	83,052	57,439	45,221	34,981
Other	-	13,040	12,008	11,078	10,535
<b>Total cash used</b>	<b>566,693</b>	<b>689,931</b>	<b>606,044</b>	<b>592,765</b>	<b>570,067</b>
<b>Net cash from/(used by) operating activities</b>	<b>69,693</b>	<b>56,449</b>	<b>19,104</b>	<b>36,606</b>	<b>15,532</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of assets	10,650	42,215	22,458	10,240	-
<b>Total cash received</b>	<b>10,650</b>	<b>42,215</b>	<b>22,458</b>	<b>10,240</b>	<b>-</b>
<b>Cash used</b>					
Construction/ Purchase of land and buildings	84,255	83,741	25,953	21,331	162
Construction/ Purchase of property, plant and equipment	9,423	42,623	30,015	30,936	16,075
Construction/ Purchase of intangibles	11,901	36,051	10,006	7,951	7,960
Construction/ Purchase of investment properties	3,720	3,879	1,364	-	-
Other	1,577	3,502	-	-	-
<b>Total cash used</b>	<b>110,876</b>	<b>169,796</b>	<b>67,338</b>	<b>60,217</b>	<b>24,197</b>
<b>Net cash from/(used by) investing activities</b>	<b>(100,226)</b>	<b>(127,581)</b>	<b>(44,880)</b>	<b>(49,977)</b>	<b>(24,197)</b>

Table continues on next page

**Table 3.5: Budgeted Departmental Statement of Cash Flows (for the Period Ended 30 June) (Continued)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	95,225	72,811	25,776	13,371	8,665
<b>Total cash received</b>	<b>95,225</b>	<b>72,811</b>	<b>25,776</b>	<b>13,371</b>	<b>8,665</b>
<b>Cash used</b>					
Capital repayments	64,845	-	-	-	-
<b>Total cash used</b>	<b>64,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>30,380</b>	<b>72,811</b>	<b>25,776</b>	<b>13,371</b>	<b>8,665</b>
<b>Net increase/(decrease) in cash held</b>	<b>(153)</b>	<b>1,679</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	3,474	3,321	5,000	5,000	5,000
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>3,321</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>

Prepared on Australian Accounting Standards basis.

**Table 3.6: Departmental Capital Budget Statement (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Departmental Capital					
Budget (DCB) - Bill 1	-	-	6,474	6,473	6,482
Equity injections - Bill 2	157,310	69,808	19,302	6,900	2,183
<b>Total new capital appropriations</b>	<b>157,310</b>	<b>69,808</b>	<b>25,776</b>	<b>13,373</b>	<b>8,665</b>
<b>Provided for:</b>					
Purchase of non-financial assets	157,310	69,808	25,776	13,373	8,665
<b>Total Items</b>	<b>157,310</b>	<b>69,808</b>	<b>25,776</b>	<b>13,373</b>	<b>8,665</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by DCB	6,340	-	6,474	6,472	6,482
Funded by equity injections	27,099	126,342	40,975	32,473	2,345
Funded internally from departmental resources <sup>(a)</sup>	2,134	39,953	19,889	21,273	15,370
<b>TOTAL</b>	<b>35,573</b>	<b>166,295</b>	<b>67,338</b>	<b>60,218</b>	<b>24,197</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total asset additions	35,573	166,296	67,338	60,217	24,197
<b>TOTAL CASH REQUIRED TO ACQUIRE ASSETS</b>	<b>35,573</b>	<b>166,296</b>	<b>67,338</b>	<b>60,217</b>	<b>24,197</b>

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- Current and prior year annual appropriation,
- Funds held in special accounts.

**Table 3.7: Statement of Asset Movements (2016-17 Budget Year)**

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Investment property \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2016</b>						
Gross book value	413,298	678,982	40,574	626,437	121,790	1,881,081
Accumulated depreciation/ amortisation and impairment	-	-	(11,901)	-	(49,971)	(61,872)
<b>Opening net book balance</b>	<b>413,298</b>	<b>678,982</b>	<b>28,673</b>	<b>626,437</b>	<b>71,819</b>	<b>1,819,209</b>
<b>Capital asset additions</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase/construction						
- appropriation equity <sup>(a)</sup>	-	83,741	13,332	3,879	25,390	126,342
By purchase/construction						
- appropriation ordinary annual services <sup>(b)</sup>	-	-	-	-	-	-
By purchase						
- internally funded	-	-	28,965	-	10,989	39,954
<b>Total additions</b>	<b>-</b>	<b>83,741</b>	<b>42,297</b>	<b>3,879</b>	<b>36,379</b>	<b>166,296</b>
<b>Other movements</b>						
Assets transferred in (out)	-	(1,437)	-	-	-	(1,437)
Depreciation / amortisation expense	-	(13,077)	(11,655)	-	(991)	(25,723)
Disposals <sup>(c)</sup>	-	(27,045)	-	-	-	(27,045)
Gains	-	-	-	(2,906)	-	(2,906)
<b>Total other movements</b>	<b>-</b>	<b>(41,559)</b>	<b>(11,655)</b>	<b>(2,906)</b>	<b>(991)</b>	<b>(57,111)</b>
<b>As at 30 June 2017</b>						
Gross book value	413,298	734,241	82,871	627,410	158,169	2,015,989
Accumulated depreciation/ amortisation and impairment	-	(13,077)	(23,556)	-	(50,962)	(87,595)
<b>Closing net book balance</b>	<b>413,298</b>	<b>721,164</b>	<b>59,315</b>	<b>627,410</b>	<b>107,207</b>	<b>1,928,394</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2016-17.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016-17 for DCB and other operational expenses.

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

**Table 3.8: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Employee benefits	252,678	251,534	258,266	263,898	266,698
Suppliers	295,855	253,377	261,515	267,425	306,113
Superannuation <sup>(a)</sup>	8,715,203	8,967,833	8,089,194	8,270,280	8,433,811
Distributions from the Investment Funds <sup>(b)</sup>	117,658	545,574	674,536	3,715,695	1,398,991
Grants	2,991	2,927	2,944	2,960	2,978
Depreciation and amortisation	16,198	20,691	20,691	20,691	20,691
Write-down and impairment of assets	347	106	106	106	106
Other expenses	108,608	6,338	6,519	3,955	3,888
<b>Total expenses administered on behalf of government</b>	<b>9,509,538</b>	<b>10,048,380</b>	<b>9,313,771</b>	<b>12,545,010</b>	<b>10,433,276</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Non-taxation revenue</b>					
Rendering of services	15,784	3,775	3,839	3,904	3,904
Interest and dividends <sup>(c)</sup>	392,823	414,824	461,998	385,331	610,744
Superannuation contributions <sup>(d)</sup>	1,338,230	1,269,248	1,213,309	1,157,960	1,124,096
Other revenue	6,400	9,636	9,636	9,636	9,636
<b>Total non-taxation revenue</b>	<b>1,753,237</b>	<b>1,697,483</b>	<b>1,688,782</b>	<b>1,556,831</b>	<b>1,748,380</b>
<b>Total own-source revenue administered on behalf of government</b>	<b>1,753,237</b>	<b>1,697,483</b>	<b>1,688,782</b>	<b>1,556,831</b>	<b>1,748,380</b>
<b>Gains</b>					
Gains on sale of investments	55,892	96,640	48,431	39,769	64,884
Other gains	97,436	4,335	4,335	4,335	4,335
<b>Total gains administered on behalf of government</b>	<b>153,328</b>	<b>100,975</b>	<b>52,766</b>	<b>44,104</b>	<b>69,219</b>
<b>Total own-sourced income administered on behalf of government</b>	<b>1,906,565</b>	<b>1,798,458</b>	<b>1,741,548</b>	<b>1,600,935</b>	<b>1,817,599</b>
<b>Net cost of/ (contribution by) services</b>	<b>7,602,973</b>	<b>8,249,922</b>	<b>7,572,223</b>	<b>10,944,075</b>	<b>8,615,677</b>
<b>Total comprehensive income / (loss)</b>	<b>(7,602,973)</b>	<b>(8,249,922)</b>	<b>(7,572,223)</b>	<b>(10,944,075)</b>	<b>(8,615,677)</b>

Prepared on Australian Accounting Standards basis.

- (a) The 2016-17 estimate is calculated using the discount rate based on the long-term government bond rate at the commencement of the financial year in accordance with accounting standards. Budget and forward years are calculated using the discount rate applied in preparing the long-term cost reports.
- (b) Represents estimates of expenses to be transferred from the Australian Government Investment Funds. This item does not include equity payments. For more detail on each fund refer to Tables 2.2.1.1-6.
- (c) Estimates of interest include interest earnings for the Australian Government Investment Funds. Dividend revenue represents revenue from corporate Commonwealth entities which are treated as administered receipts of the department.
- (d) Principally CSS and PSS notional employer superannuation contributions.



**Table 3.9: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,496	-	-	-	-
Trade and other receivables	147,351	141,141	134,510	127,539	120,216
Investments <sup>(a)</sup>	17,155,999	18,817,122	13,946,826	11,023,791	18,802,053
Other financial assets	12,858	12,858	12,858	12,858	12,858
<b>Total financial assets</b>	<b>17,317,704</b>	<b>18,971,121</b>	<b>14,094,194</b>	<b>11,164,188</b>	<b>18,935,127</b>
<b>Non-financial assets</b>					
Buildings	18,460	16,451	12,134	8,963	5,935
Property, plant and equipment	75,626	71,832	66,624	60,861	55,143
Intangibles	1,518	1,518	1,518	1,518	1,518
Other non-financial assets	3,556	3,556	3,556	3,556	3,556
<b>Total non-financial assets</b>	<b>99,160</b>	<b>93,357</b>	<b>83,832</b>	<b>74,898</b>	<b>66,152</b>
<b>Total assets administered on behalf of government</b>	<b>17,416,864</b>	<b>19,064,478</b>	<b>14,178,026</b>	<b>11,239,086</b>	<b>19,001,279</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	63,771	15,599	15,599	15,599	15,599
Other payables	10,487	10,487	10,487	10,487	10,487
<b>Total payables</b>	<b>74,258</b>	<b>26,086</b>	<b>26,086</b>	<b>26,086</b>	<b>26,086</b>
<b>Provisions</b>					
Employees <sup>(b)</sup>	312,501	312,501	312,501	312,501	312,501
Superannuation <sup>(c)</sup>	189,367,537	110,471,963	113,921,152	117,347,899	120,721,961
Other provisions	18,173	14,344	13,452	12,461	11,365
<b>Total provisions</b>	<b>189,698,211</b>	<b>110,798,808</b>	<b>114,247,105</b>	<b>117,672,861</b>	<b>121,045,827</b>
<b>Total liabilities administered on behalf of government</b>	<b>189,772,469</b>	<b>110,824,894</b>	<b>114,273,191</b>	<b>117,698,947</b>	<b>121,071,913</b>
<b>Net assets/(liabilities)</b>	<b>(172,355,605)</b>	<b>(91,760,416)</b>	<b>(100,095,165)</b>	<b>(106,459,861)</b>	<b>(102,070,634)</b>

Prepared on Australian Accounting Standards basis.

(a) Represents investments in the Australian Government Investment Funds. Also represented are investments in other Commonwealth entities that are 100% owned by the Commonwealth and assets of former superannuation schemes administered by the Australian Government.

(b) Represents Life Gold Pass Holders liabilities and employee provisions for staff employed under the *Members of Parliament (Staff) Act 1984*.

(c) Represents the unfunded liabilities for the government's civilian superannuation schemes. The superannuation liabilities estimates are based on the Long Term Cost Report.

**Table 3.10: Schedule of Budgeted Administered Cash Flows (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Rendering of services	19,375	3,775	3,839	3,904	3,902
Interest and dividends <sup>(a)</sup>	153,092	409,433	456,685	380,121	605,667
Superannuation contributions - employers <sup>(b)</sup>	1,377,495	1,268,773	1,203,259	1,138,921	1,097,232
Superannuation funds contributions <sup>(c)</sup>	1,953,089	1,892,741	1,917,440	1,931,324	1,936,723
Other	241,106	43,954	53,591	39,426	3,037,091
<b>Total cash received</b>	<b>3,744,157</b>	<b>3,618,676</b>	<b>3,634,814</b>	<b>3,493,696</b>	<b>6,680,615</b>
<b>Cash used</b>					
Employees <sup>(d)</sup>	264,538	251,472	258,204	263,836	266,698
Suppliers	218,715	252,965	261,102	267,014	301,778
Distributions from the investment funds <sup>(e)</sup>	117,658	545,574	674,536	3,715,695	1,398,991
Grants	2,281	2,927	2,944	2,960	2,978
Superannuation <sup>(f)</sup>	6,040,352	6,337,614	6,600,963	6,870,330	7,145,364
Other	107,320	7,376	7,411	4,946	5,087
<b>Total cash used</b>	<b>6,750,864</b>	<b>7,397,928</b>	<b>7,805,160</b>	<b>11,124,781</b>	<b>9,120,896</b>
<b>Net cash from/(used by) operating activities</b>	<b>(3,006,707)</b>	<b>(3,779,252)</b>	<b>(4,170,346)</b>	<b>(7,631,085)</b>	<b>(2,440,281)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Payments from sales of investments	15,278,628	3,902,010	11,900,864	10,192,491	5,526,437
Repayments of advances and loans	11,999	11,601	12,865	12,180	12,400
<b>Total cash received</b>	<b>15,290,627</b>	<b>3,913,611</b>	<b>11,913,729</b>	<b>10,204,671</b>	<b>5,538,837</b>

Table continues on next page

**Table 3.10: Schedule of Budgeted Administered Cash Flows (for the Period Ended 30 June) (Continued)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Cash used</b>					
Purchase of property, plant and equipment	2,556	4,811	3,397	2,843	2,888
Purchase of buildings	4,221	10,277	7,969	9,115	9,257
Purchase of investments	20,515,947	5,514,467	6,982,859	7,229,484	13,239,614
<b>Total cash used</b>	<b>20,522,724</b>	<b>5,529,555</b>	<b>6,994,225</b>	<b>7,241,441</b>	<b>13,251,759</b>
<b>Net cash from/(used by) investing activities</b>	<b>(5,232,097)</b>	<b>(1,615,944)</b>	<b>4,919,504</b>	<b>2,963,230</b>	<b>(7,712,922)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributions to the Investment Funds	-	5,129,358	6,545,186	6,869,744	12,653,840
Appropriations - contributed equity	8,553,089	1,902,418	1,923,760	1,937,762	1,943,935
<b>Total cash received</b>	<b>8,553,089</b>	<b>7,031,776</b>	<b>8,468,946</b>	<b>8,807,506</b>	<b>14,597,775</b>
<b>Cash used</b>					
Distributions from the Investment Funds <sup>(e)</sup>	1,462,997	3,329,148	11,188,415	6,434,188	4,053,479
<b>Total cash used</b>	<b>1,462,997</b>	<b>3,329,148</b>	<b>11,188,415</b>	<b>6,434,188</b>	<b>4,053,479</b>
<b>Net cash from/(used by) Financing activities</b>	<b>7,090,092</b>	<b>3,702,628</b>	<b>(2,719,469)</b>	<b>2,373,318</b>	<b>10,544,296</b>
<b>Net increase/(decrease) in cash held</b>	<b>(1,148,712)</b>	<b>(1,692,568)</b>	<b>(1,970,311)</b>	<b>(2,294,537)</b>	<b>391,093</b>
Cash and cash equivalents at beginning of reporting period <sup>(g)</sup>	4,566	1,496	-	-	-
Cash from Official Public Account for Appropriations	4,561,440	4,940,036	5,182,617	5,442,975	5,718,449
Cash to Official Public Account for: Appropriations	(3,415,798)	(3,248,964)	(3,212,306)	(3,148,438)	(6,109,542)
<b>Cash and cash equivalents at end of reporting period</b>	<b>1,496</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

- (a) Estimates include interest earnings for the Australian Government Investment Funds. For more detail on the interest estimates for each fund, refer to Tables 2.2.1.1-6.
- (b) Primarily represents the CSS and PSS notional employer contributions.
- (c) Primarily represents offsets from the CSS and PSS funds and return of overpaid benefits.
- (d) Represents expenditure on staff employed under the *Members of Parliament (Staff) Act 1984*.
- (e) 'Distributions from the Investment Funds' represents estimates of cash payments from the Funds to other entities and the Consolidated Revenue Fund.
- (f) Expenditure associated with unfunded liabilities for the government's civilian superannuation schemes.
- (g) The 2016-17 figures for cash at the beginning and end of the reporting period excludes cash held in the Official Public Account as this is not included as part of our estimates.

**Table 3.11: Schedule of Administered Capital Budget (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Administered Capital					
Budget (ACB) - Bill 1 <sup>(a)</sup>	4,832	4,919	4,978	5,049	5,135
Administered Assets and					
Liabilities - Bill 2 <sup>(b)</sup>	1,759	1,890	1,755	996	1,091
Special capital appropriation <sup>(c)</sup>	1,847,169	1,887,150	1,911,502	1,924,825	1,930,716
<b>Total new capital appropriations</b>	<b>1,853,760</b>	<b>1,893,959</b>	<b>1,918,235</b>	<b>1,930,870</b>	<b>1,936,942</b>
<b>Provided for:</b>					
Purchase of non-financial assets	5,695	5,782	5,841	5,065	5,151
Other Items	1,848,065	1,888,177	1,912,394	1,925,805	1,931,791
<b>Total items</b>	<b>1,853,760</b>	<b>1,893,959</b>	<b>1,918,235</b>	<b>1,930,870</b>	<b>1,936,942</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by ACB - Bill 1	471	4,919	4,978	5,049	5,135
Funded by Administered Assets and Liabilities - Act 2	-	1,710	863	16	16
Funded by special appropriations	619	8,458	5,524	6,892	6,994
<b>TOTAL</b>	<b>1,090</b>	<b>15,087</b>	<b>11,365</b>	<b>11,957</b>	<b>12,145</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total asset additions	1,090	15,087	11,365	11,957	12,145
<b>Total cash used to acquire assets</b>	<b>1,090</b>	<b>15,087</b>	<b>11,365</b>	<b>11,957</b>	<b>12,145</b>

- (a) The ACB is used to fund the replacement of assets purchased through administered annual appropriations.
- (b) Administered Assets and Liabilities includes a capital injection for Acts of Grace and liabilities and an injection for capital works on Intra Government Communications Network, which is offset through entity contributions that are returned to the budget.
- (c) Represents appropriation to pay unfunded component of superannuation benefits under the PSS and CSS.

**Table 3.12: Statement of Administered Asset Movements  
(2016-17 Budget Year)**

	Buildings \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2016</b>				
Gross book value	52,627	84,840	3,183	140,650
Accumulated depreciation/ amortisation and impairment	(34,167)	(9,214)	(1,665)	(45,046)
<b>Opening net book balance</b>	<b>18,460</b>	<b>75,626</b>	<b>1,518</b>	<b>95,604</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity	-	1,710	-	1,710
By purchase - appropriation ordinary annual services	3,502	1,417	-	4,919
By purchase - special appropriations	6,775	1,684	-	8,459
<b>Total additions</b>	<b>10,277</b>	<b>4,811</b>	<b>-</b>	<b>15,088</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(12,086)	(8,605)	-	(20,691)
Disposals	(200)	-	-	(200)
<b>Total other movements</b>	<b>(12,286)</b>	<b>(8,605)</b>	<b>-</b>	<b>(20,891)</b>
<b>As at 30 June 2017</b>				
Gross book value	62,704	89,651	3,183	155,538
Accumulated depreciation/ amortisation and impairment	(46,253)	(17,819)	(1,665)	(65,737)
<b>Closing net book balance</b>	<b>16,451</b>	<b>71,832</b>	<b>1,518</b>	<b>89,801</b>

Prepared on Australian Accounting Standards



# AUSTRALIAN ELECTORAL COMMISSION

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# **AUSTRALIAN ELECTORAL COMMISSION**

## **Section 1: Entity Overview and Resources**

### **1.1 STRATEGIC DIRECTION STATEMENT**

No changes have occurred that impact on the AEC's Strategic Direction since the issue of the 2016-17 Portfolio Budget Statements.

### **1.2 ENTITY RESOURCE STATEMENT**

The Entity Resource Statement details the resourcing for the AEC at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through Appropriation Bill Nos. 3 and 4, Special Appropriations and Special Accounts.

**Table 1.1: Australian Electoral Commission Resource Statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017**

	Actual available appropriation 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimate 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
<b>Departmental</b>				
Annual appropriations - ordinary annual services <sup>(a)</sup>				
Prior year appropriations available <sup>(b)</sup>	46,322	-	-	-
Departmental appropriation	222,958	304,347	3,840	308,187
s74 retained revenue receipts <sup>(d)</sup>	10,841	10,952	-	10,952
Departmental capital budget <sup>(c)</sup>	11,012	6,171	-	6,171
Total departmental annual appropriations	291,133	321,470	3,840	325,310
Total departmental special appropriations <sup>(e)</sup>	9,000	9,000	-	9,000
<b>Total departmental resourcing</b>	<b>300,133</b>	<b>330,470</b>	<b>3,840</b>	<b>334,310</b>
<b>Administered</b>				
Total administered special appropriations	664	74,000	-	74,000
Special accounts <sup>(e)</sup>				
Opening balance	1	2,268	-	2,268
Non-appropriation receipts	2,295	-	-	-
Total special account receipts	2,296	2,268	-	2,268
<b>Total administered resourcing</b>	<b>2,960</b>	<b>76,268</b>	<b>-</b>	<b>76,268</b>
<b>Total resourcing for Australian Electoral Commission</b>	<b>303,093</b>	<b>406,738</b>	<b>3,840</b>	<b>410,578</b>
<hr/>				
			2015-16	2016-17
<b>Average staffing level (number)</b>			819	795

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

(a) Appropriation Act (No. 1) 2016-17 and Appropriation Bill (No. 3) 2016-17.

(b) Estimated adjusted balance carried from previous year for annual appropriations.

(c) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer table 3.2.5 for further details. For accounting purposes, this amount has been designated as a 'Contribution by owner'.

(d) Estimated retained revenue receipts under s74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.

(e) Excludes *Services for Other Entities and Trust Moneys* accounts (SOETM). For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

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

### 1.3 ENTITY MEASURES

There are no measures in the 2016-17 Portfolio Additional Estimates for the AEC.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

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

**Table 1.3: Additional Estimates and Other Variations to Outcomes since 2016-17 Budget**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 1</b>					
<b>Departmental</b>					
<b>Annual appropriations</b>					
Election Funding	1.1	-	502	-	-
Plebiscite Funding		3,840	680	1,480	-
Changes in Parameters	1.1	-	(877)	(1,597)	(4,656)
Other Variations		-	-	(1,298)	(4,113)
<b>Net impact on appropriations for Outcome 1 (departmental)</b>		<b>3,840</b>	<b>305</b>	<b>(1,415)</b>	<b>(8,769)</b>
<b>Total net impact on appropriations for Outcome 1</b>		<b>3,840</b>	<b>305</b>	<b>(1,415)</b>	<b>(8,769)</b>

Note: This table has been prepared on an appropriation basis. A positive amount indicates an increase to AEC's appropriation while a negative amount indicates a decrease to AEC's appropriation.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

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

	2015-16 <i>Available</i> \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Departmental programs</b>					
<b>Outcome 1</b>					
Maintain an impartial and					
independent electoral system for				-	-
eligible voters through active					
electoral roll management, efficient				-	-
delivery of polling services and				-	-
targeted education and public					
awareness programs.	233,970	310,518	314,358	3,840	-
<b>Total departmental</b>	<b>233,970</b>	<b>310,518</b>	<b>314,358</b>	<b>3,840</b>	<b>-</b>

Note: This table has been prepared on an appropriation basis. A positive amount indicates an increase to AEC's appropriation while a negative amount indicates a decrease to AEC's appropriation.

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

This table is not required as the AEC is not seeking any additional estimates through Appropriation Bill (No.4) 2016-17.

## Section 2: Revisions to Outcomes and Planned Performance

### 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1:** Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.

#### Budgeted Expenses for Outcome 1

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

**Table 2.1.1 Budgeted Expenses for Outcome 1**

<b>Outcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.</b>					
	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 1.1: Deliver Electoral Events</b>					
Administered expenses					
Special appropriations					
<i>Commonwealth Electoral Act 1918</i>	664	76,000	-	-	76,000
<b>Administered total</b>	<b>664</b>	<b>76,000</b>	<b>-</b>	<b>-</b>	<b>76,000</b>
Departmental expenses					
Departmental appropriation <sup>(a)</sup>	255,116	304,149	116,060	127,469	335,940
Special appropriations					
<i>Commonwealth Electoral Act 1918</i>	9,000	9,000	9,000	9,000	9,000
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	9,326	8,719	8,206	8,736	9,527
<b>Departmental total</b>	<b>273,442</b>	<b>321,868</b>	<b>133,266</b>	<b>145,205</b>	<b>354,467</b>
<b>Total expenses for program 1.1</b>	<b>274,106</b>	<b>397,868</b>	<b>133,266</b>	<b>145,205</b>	<b>430,467</b>

	2015-16	2016-17
<b>Average staffing level (number)</b>	819	795

- (a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 's.74 Retained revenue receipts.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and audit fees.

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

**Table 2.1.2: Performance Criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It describes the results to be achieved with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

<b>Outcome 1 – Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.</b>
<b>Program 1.1 – Deliver Electoral Events</b> No changes have been made to the performance criteria for this program since the 2016-17 Portfolio Budget Statements.

## Section 3: Special Account Flows and Budgeted Financial Statements

### 3.1 Special Account Flows

#### Estimates of Special Account Flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by the AEC.

**Table 3.1: Estimates of Special Account Flows and Balances**

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
Other Trust Monies						
s20 FMA Act (A)						
2016-17	1	2,268	-	(2,268)	-	-
<i>Other Trust Monies</i>						
s20 FMA Act (A)						
2015-16	1	1	2,295	(28)	-	2,268
<b>Total Special Accounts</b>						
<b>2016-17 Budget estimate</b>		<b>2,268</b>	<b>-</b>	<b>(2,268)</b>	<b>-</b>	<b>-</b>
<i>Total special accounts</i>						
<i>2015-16 actual</i>		<i>1</i>	<i>2,295</i>	<i>(28)</i>	<i>-</i>	<i>2,268</i>

(A) = Administered

(D) = Departmental

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Analysis of Budgeted Financial Statements

No major changes have occurred in the budgeted financial statements since the 2016-17 PB Statements. The changes reflect additional funding received for plebiscite planning, savings measures and economic parameter adjustments.

### 3.2.2 Budgeted Financial Statements

**Table 3.2: Comprehensive Income Statement (Showing Net Cost of Services) for the Period Ended 30 June**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	104,562	194,868	76,492	83,850	137,479
Suppliers	159,515	118,196	48,483	52,534	207,376
Depreciation and amortisation	9,326	8,719	8,206	8,736	9,527
Other expenses	39	85	85	85	85
<b>Total expenses</b>	<b>273,442</b>	<b>321,868</b>	<b>133,266</b>	<b>145,205</b>	<b>354,467</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	15,224	10,952	11,038	11,038	11,038
Other revenue	278	-	-	-	-
<b>Total own-source revenue</b>	<b>15,502</b>	<b>10,952</b>	<b>11,038</b>	<b>11,038</b>	<b>11,038</b>
<b>Gains</b>					
Other	968	85	85	85	85
<b>Total gains</b>	<b>968</b>	<b>85</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Total own-source income</b>	<b>16,470</b>	<b>11,037</b>	<b>11,123</b>	<b>11,123</b>	<b>11,123</b>
<b>Net cost of (contribution by) services</b>	<b>(256,972)</b>	<b>(310,831)</b>	<b>(122,143)</b>	<b>(134,082)</b>	<b>(343,344)</b>
Revenue from government	231,958	317,187	113,937	125,346	333,817
<b>Surplus/(deficit) before income tax</b>	<b>(25,014)</b>	<b>6,356</b>	<b>(8,206)</b>	<b>(8,736)</b>	<b>(9,527)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(25,014)</b>	<b>6,356</b>	<b>(8,206)</b>	<b>(8,736)</b>	<b>(9,527)</b>

Table continues on the next page



**Table 3.2: Comprehensive Income Statement (Showing Net Cost of Services) for the Period Ended 30 June (Continued)****Note: Impact of Net Cash Appropriation Arrangements**

	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total comprehensive income/ (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations.</b>	<b>(15,688)</b>	<b>15,075</b>	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations	(9,326)	(8,719)	(8,206)	(8,736)	(9,527)
<b>Total comprehensive income/ (loss) - as per the Comprehensive Income Statement</b>	<b>(25,014)</b>	<b>6,356</b>	<b>(8,206)</b>	<b>(8,736)</b>	<b>(9,527)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.3: Budgeted Departmental Balance Sheet (as at 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	17,932	17,932	17,932	17,932	17,932
Trade and other receivables	80,563	95,638	95,638	95,638	95,638
<b>Total financial assets</b>	<b>98,495</b>	<b>113,570</b>	<b>113,570</b>	<b>113,570</b>	<b>113,570</b>
<b>Non-financial assets</b>					
Land and buildings	10,359	9,969	9,082	10,208	7,858
Property, plant and equipment	7,696	6,735	8,597	8,921	10,392
Intangibles	16,563	15,366	14,335	15,314	17,982
Inventories	14,599	14,599	14,599	14,599	14,599
Other non-financial assets	7,115	7,115	7,115	7,115	7,115
<b>Total non-financial assets</b>	<b>56,332</b>	<b>53,784</b>	<b>53,728</b>	<b>56,157</b>	<b>57,946</b>
<b>Total assets</b>	<b>154,827</b>	<b>167,354</b>	<b>167,298</b>	<b>169,727</b>	<b>171,516</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	72,637	72,637	72,637	72,637	72,637
Other payables	4,103	4,103	4,103	4,103	4,103
<b>Total payables</b>	<b>76,740</b>	<b>76,740</b>	<b>76,740</b>	<b>76,740</b>	<b>76,740</b>
<b>Provisions</b>					
Employee provisions	31,757	31,757	31,757	31,757	31,757
Other provisions	1,525	1,525	1,525	1,525	1,525
<b>Total provisions</b>	<b>33,282</b>	<b>33,282</b>	<b>33,282</b>	<b>33,282</b>	<b>33,282</b>
<b>Total liabilities</b>	<b>110,022</b>	<b>110,022</b>	<b>110,022</b>	<b>110,022</b>	<b>110,022</b>
<b>Net assets</b>	<b>44,805</b>	<b>57,332</b>	<b>57,276</b>	<b>59,705</b>	<b>61,494</b>
<b>EQUITY</b>					
Contributed equity	54,202	60,373	68,523	79,688	91,004
Reserves	22,985	22,985	22,985	22,985	22,985
Retained surplus/(accumulated deficit)	(32,382)	(26,026)	(34,232)	(42,968)	(52,495)
<b>Total Equity</b>	<b>44,805</b>	<b>57,332</b>	<b>57,276</b>	<b>59,705</b>	<b>61,494</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2016-17)**

	Retained earnings \$'000	Asset evaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2016</b>				
Balance carried forward from previous period	(32,382)	22,985	54,202	44,805
<b>Adjusted opening balance</b>	<b>(32,382)</b>	<b>22,985</b>	<b>54,202</b>	<b>44,805</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	6,356	-	-	6,356
<b>Total comprehensive income</b>	<b>6,356</b>	<b>-</b>	<b>-</b>	<b>6,356</b>
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Departmental Capital Budget (DCB)	-	-	6,171	6,171
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>6,171</b>	<b>6,171</b>
<b>Estimated closing balance</b>				
<b>as at 30 June 2017</b>	<b>(26,026)</b>	<b>22,985</b>	<b>60,373</b>	<b>57,332</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Budgeted Departmental Statement of Cash Flows (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	201,225	302,112	113,937	125,346	333,817
Sale of goods and rendering of services	18,000	10,952	11,038	11,038	11,038
Net GST received	4,547	-	-	-	-
<b>Total cash received</b>	<b>223,772</b>	<b>313,064</b>	<b>124,975</b>	<b>136,384</b>	<b>344,855</b>
<b>Cash used</b>					
Employees	95,600	194,868	76,492	83,850	137,479
Suppliers	125,925	118,196	48,483	52,534	207,376
<b>Total cash used</b>	<b>221,525</b>	<b>313,064</b>	<b>124,975</b>	<b>136,384</b>	<b>344,855</b>
<b>Net cash from/(used by) operating activities</b>	<b>2,247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant, equipment and intangibles	9,540	6,171	8,150	11,165	11,316
<b>Total cash used</b>	<b>9,540</b>	<b>6,171</b>	<b>8,150</b>	<b>11,165</b>	<b>11,316</b>
<b>Net cash from/(used by) investing activities</b>	<b>(9,540)</b>	<b>(6,171)</b>	<b>(8,150)</b>	<b>(11,165)</b>	<b>(11,316)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Departmental Capital Budget	24,334	6,171	8,150	11,165	11,316
<b>Total cash received</b>	<b>24,334</b>	<b>6,171</b>	<b>8,150</b>	<b>11,165</b>	<b>11,316</b>
<b>Net cash used by financing activities</b>	<b>24,334</b>	<b>6,171</b>	<b>8,150</b>	<b>11,165</b>	<b>11,316</b>
<b>Net increase/(decrease) in cash held</b>	<b>17,041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	891	17,932	17,932	17,932	17,932
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>17,932</b>	<b>17,932</b>	<b>17,932</b>	<b>17,932</b>	<b>17,932</b>

Prepared on Australian Accounting Standards basis.

**Table 3.6: Departmental Capital Budget Statement (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Act No. 1 (DCB)	11,012	6,171	8,054	10,773	10,770
<b>Total new capital appropriations</b>	<b>11,012</b>	<b>6,171</b>	<b>8,054</b>	<b>10,773</b>	<b>10,770</b>
<b>Provided for:</b>					
Purchase of non-financial assets	11,012	6,171	8,054	10,773	10,770
<b>Total Items</b>	<b>11,012</b>	<b>6,171</b>	<b>8,054</b>	<b>10,773</b>	<b>10,770</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB <sup>(a)</sup>	11,012	6,195	8,070	10,773	10,792
Funded internally from departmental resources <sup>(b)</sup>	441	-	-	-	-
<b>TOTAL AMOUNT SPENT</b>	<b>11,453</b>	<b>6,195</b>	<b>8,070</b>	<b>10,773</b>	<b>10,792</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	11,453	6,195	8,070	10,773	10,792
<b>TOTAL CASH REQUIRED TO ACQUIRE ASSETS</b>	<b>11,453</b>	<b>6,195</b>	<b>8,070</b>	<b>10,773</b>	<b>10,792</b>

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (b) Includes the following sources of funding:
- current Bills 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
  - donations and contributions;
  - gifts;
  - internally developed assets;
  - s74 relevant entity receipts; and
  - proceeds from the sale of assets.

**Table 3.7: Statement of Asset Movements (2016-17 Budget Year)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2016</b>				
Gross book value	10,994	7,696	58,979	77,669
Accumulated depreciation/ amortisation and impairment	(635)	-	(42,416)	(43,051)
<b>Opening net book balance</b>	<b>10,359</b>	<b>7,696</b>	<b>16,563</b>	<b>34,618</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on     new or replacement assets</b>				
By purchase - appropriation ordinary annual services <sup>(a)</sup>	3,000	1,671	1,500	6,171
<b>Total additions</b>	<b>3,000</b>	<b>1,671</b>	<b>1,500</b>	<b>6,171</b>
<b>Other movements</b>				
Depreciation/amortisation expense	3,390	2,632	2,697	8,719
<b>Total other movements</b>	<b>3,390</b>	<b>2,632</b>	<b>2,697</b>	<b>8,719</b>
<b>As at 30 June 2017</b>				
Gross book value	13,994	9,367	60,479	83,840
Accumulated depreciation/ amortisation and impairment	(4,025)	(2,632)	(45,113)	(51,770)
<b>Closing net book balance</b>	<b>9,969</b>	<b>6,735</b>	<b>15,366</b>	<b>32,070</b>

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation bill (No. 1) 2016-17 for depreciation / amortisation expenses, DCBs or other operational expenses.

**Table 3.8: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Other expenses	392	76,000	-	-	76,000
<b>Total expenses administered on behalf of government</b>	<b>392</b>	<b>76,000</b>	<b>-</b>	<b>-</b>	<b>76,000</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Non-taxation revenue</b>					
Fees and fines	404	2,000	66	33	2,000
<b>Total non-taxation revenue</b>	<b>404</b>	<b>2,000</b>	<b>66</b>	<b>33</b>	<b>2,000</b>
<b>Total own-source revenue administered on behalf of government</b>	<b>404</b>	<b>2,000</b>	<b>66</b>	<b>33</b>	<b>2,000</b>
<b>Total own-sourced income administered on behalf of government</b>	<b>12</b>	<b>(74,000)</b>	<b>66</b>	<b>33</b>	<b>74,000</b>
<b>Net cost of/(contribution by) services</b>	<b>12</b>	<b>(74,000)</b>	<b>66</b>	<b>33</b>	<b>74,000</b>
<b>Surplus/(deficit) after income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	14	14	14	14	14
<b>Total financial assets</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Total assets administered on behalf of government</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	14	14	14	14	14
<b>Total payables</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Total liabilities administered on behalf of government</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Net assets/(liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: Schedule of Budgeted Administered Cash Flows (for the Period Ended 30 June)**

	2015-16 Actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other	404	2,000	66	33	2,000
<b>Total cash received</b>	<b>404</b>	<b>2,000</b>	<b>66</b>	<b>33</b>	<b>2,000</b>
<b>Cash used</b>					
Other	378	76,000	-	-	76,000
<b>Total cash used</b>	<b>378</b>	<b>76,000</b>	<b>-</b>	<b>-</b>	<b>76,000</b>
<b>Net cash from/(used by) operating activities</b>	<b>26</b>	<b>(74,000)</b>	<b>66</b>	<b>33</b>	<b>(74,000)</b>
<b>Net increase/(decrease) in cash held</b>	<b>26</b>	<b>(74,000)</b>	<b>66</b>	<b>33</b>	<b>(74,000)</b>
Cash and cash equivalents at beginning of reporting period	-	14	14	14	14
Cash from Official Public Account for Appropriations	392	76,000	-	-	76,000
Cash to Official Public Account for Appropriations	(404)	(2,000)	(66)	(33)	(2,000)
<b>Cash and cash equivalents at end of reporting period</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

Prepared on Australian Accounting Standards basis.

**Table 3.11: Schedule of Administered Capital Budget (for the period ended 30 June)**

The AEC does not administer capital on behalf of the Government.



**Table 3.12: Statement of Administered Asset Movements (2016-17 Budget Year)**

The AEC has no budgeted assets or liabilities administered on behalf of the Government.



# PORTFOLIO GLOSSARY

Term	Meaning
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	Expenses, revenues, assets or liabilities managed by entities on behalf of the Commonwealth. Entities do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills (No.3) and (No.4), and a separate Bill for the Parliamentary Departments ((Parliamentary Departments) Bill (No.2)). These Bills are introduced into Parliament after the Budget Bills.
Appropriation	A law of the Australian Parliament that provides authority for Commonwealth entities to spend money from the Consolidated Revenue Fund for a particular purpose. Entities may not spend money without an appropriation authorising that expenditure and, where necessary, other legislation authorising the specified purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the Additional Estimates. Parliamentary departments have their own appropriations.
Capital Expenditure	Expenditure by an entity on capital projects, for example purchasing a building.
Charter of Budget Honesty Act	The <i>Charter of Budget Honesty Act 1998</i> provides a legislative framework for the conduct and reporting of fiscal policy.

Departmental terms	Assets, liabilities, revenues and expenses that are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation and Amortisation	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.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair Value	Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Measure	A new policy or savings decision of the government with financial impacts.
Operating Result	Equals income less expense.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community influenced by the actions of the Australian Government. Actual outcomes are the results or impacts actually achieved.
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State and a number of entities with similar general objectives and outcomes.
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013.</i>

Revenue	Total value of resources earned or received to cover the production of goods and services or increases in future economic benefits in the form of increases in assets or reductions in liabilities of an entity.
Special Accounts	A type of special appropriation, limited by amount, criteria or time, which may be established under sections 78 and 80 of the PGPA Act.
Special Appropriations	Authority within an Act (other than an annual Appropriation Act) to spend money from the Consolidated Revenue Fund for particular purposes. The <i>Social Security (Administration) Act 1999</i> , for example, contains several special appropriations to make social security payments. Special appropriations support around 80 per cent of all government expenditure each year.