



# **BUDGET**

**PORTFOLIO BUDGET STATEMENTS 2008-09  
BUDGET RELATED PAPER NO. 1.6**

**ENVIRONMENT, WATER, HERITAGE AND  
THE ARTS PORTFOLIO**

**BUDGET INITIATIVES AND EXPLANATIONS OF  
APPROPRIATIONS SPECIFIED BY OUTCOMES  
AND OUTPUTS BY AGENCY**

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**MINISTER FOR THE ENVIRONMENT, HERITAGE AND THE ARTS  
MINISTER FOR CLIMATE CHANGE AND WATER**

PARLIAMENT HOUSE  
CANBERRA 2600

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2008-09 Budget for The Environment, Water, Heritage and the Arts portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

We present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Garrett', with a long, sweeping underline that extends to the right.

**PETER GARRETT AM**

A handwritten signature in black ink, appearing to read 'Penny Wong', with a stylized, cursive script.

**PENNY WONG**

## 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nfp	not for publication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, Department of the Environment, Water, Heritage and the Arts, on 02 6274 2203.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET  
STATEMENTS**



## USER GUIDE

The purpose of the 2008–09 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2008–09. In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

## STRUCTURE OF THE PORTFOLIO BUDGET STATEMENTS

The Portfolio Budget Statements have been revised for the 2008–09 Budget, with significant changes made to reduce the work load on agencies and to provide Parliament with more targeted and comprehensive information on government expenditure.

Included below is a brief outline of each section of the revised document.

### Portfolio overview

The portfolio overview is largely unchanged with portfolio departments required to briefly outline the responsibilities of the portfolio, list the relevant agencies and Ministers and the resources available.

### Agency Resources and Planned Performance

A statement (under the name of the agency) for each agency within the Portfolio.

#### **Section 1: Agency overview and resources**

- This section includes three components:
  - 1.1 Strategic Direction for 2008–09;
  - 1.2 Resource Statement; and
  - 1.3 Measures Table.
- The intention of section one is to provide readers with an overview of the functions and responsibilities of the agency, its contribution towards its outcomes for the budget year and the resources available.
- In the *Strategic Direction for 2008–09* agencies are to present a narrative approach rather than being restricted to a fixed number of headings. The key emphasis is on telling the agency 'story': the key strategies it is implementing to achieve its outcomes, what is involved and how success and progress are to be measured.
- The agency resource statement and measures table summarise resource information into two tables. Agencies are to use the new agency resource statement which details the source and nature of the resources available to the agency. Budget Measures information is to reflect the information covered in Budget Paper 2, with the output group against which the measures are to be pursued included to improve cross-referencing.

<b>Agency Resources and Planned Performance (continued)</b>	
<b>Section 2: Outcomes and Planned Performance</b>	<ul style="list-style-type: none"> <li>• The outcomes section has undergone significant change to re-orientate agency reporting towards their results in contributing to outcomes and away from focusing on the activities and processes of agencies.</li> <li>• The outcome resource statement provides lower level resourcing information for general users at the results level, grouped by output group rather than appropriation type as has been the case previously.</li> <li>• Following the outcome resource statement agencies will use output groups for each outcome to group their intended contributions and the performance indicators used to assess the agency's effectiveness. By focusing on the results and impacts agencies are making towards outcomes, the revised PB Statements will be more focused on how agencies contribute to outcomes rather than detailing activities.</li> </ul>
<b>Section 3: Explanatory tables and budgeted financial statements</b>	<ul style="list-style-type: none"> <li>• This section has been reworked to increase the readability of technical financial information. The section now includes: <ul style="list-style-type: none"> <li>– an explanation of any differences at agency level between the information included in the Budget Papers and the PB Statements arising from the use of the GFS and AAS accounting methodologies; and</li> <li>– explanatory tables to provide supplementary information on the reconciliation between total available appropriation and outcome attribution, the re-phasing and use of appropriations, special account flows and Australian Government Indigenous Expenditure.</li> </ul> </li> <li>• It should also be noted that the capital budget statement and the property, plant, equipment and intangibles statements are no longer mandatory in the financial statements. This change has been made because for the majority of agencies the information provided was of little value. Agencies with significant investment programs and/or balance sheets may continue using the statements to better explain their overall position.</li> </ul>
<b>Glossary (Optional)</b>	Explains key terms relevant to the Portfolio.
<b>Index (Optional)</b>	Alphabetical guide to the Statements.



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# **PORTFOLIO OVERVIEW**



# THE ENVIRONMENT, WATER, HERITAGE AND THE ARTS PORTFOLIO OVERVIEW

## MINISTERS AND PORTFOLIO RESPONSIBILITIES

Following the 2007 Federal election, the structure of the Environment, Water, Heritage and the Arts Portfolio (the Portfolio) was altered through the Ministry and Machinery of Government changes announced by the Prime Minister on 29 November 2007, and finalised by the Governor General on 25 January 2008. The main changes affecting the Portfolio were the transfer of some climate change responsibilities into the Prime Minister and Cabinet Portfolio and the transfer of responsibility for cultural affairs and the arts into this Portfolio.

In addition, on 1 May 2008 the Australian Government announced plans to establish Old Parliament House (OPH) as an executive agency under the *Public Service Act 1999*. OPH, currently administered as part of the Department of the Environment, Water, Heritage and the Arts (DEWHA), will be transferred to the Prime Minister and Cabinet Portfolio with effect from 1 July 2008. The budget for this function is currently reported in DEWHA's Portfolio Budget Statements 2008-09. Following establishment of the entity, separate statements will be prepared for OPH and included in future Budget statements for the Prime Minister and Cabinet Portfolio.

The Environment, Water, Heritage and the Arts Portfolio is led by two Cabinet Ministers. Minister Garrett is Minister for the Environment, Heritage and the Arts while Minister Wong is Minister for Climate Change and Water. Minister Wong's water responsibilities are a part of this Portfolio.

The Portfolio provides leadership of environment, water, heritage, and cultural matters with a national focus, or that are the direct responsibility of the Australian Government.

The Portfolio aims to ensure that Australia continues to support and develop the cultural sector to enrich the economic, social and cultural well-being of the nation, and provide all Australians with opportunities to engage and participate in cultural and creative arenas.

Key environmental roles of the Portfolio include those identified in the 'Heads of Agreement on Commonwealth and State Roles and Responsibilities for the Environment', signed by the Council of Australian Governments in 1997. This agreement underpins a national approach to protecting Australia's environment, water resources and heritage, where achieving outcomes often depends on cooperation between Local, State and Territory and the Australian Government.

### *Portfolio overview*

In addition to these roles, the Portfolio is also responsible for supporting community and household energy efficiency, Australia's Antarctic activities, and the provision of meteorological services to the Australian community.

#### **Bureau of Meteorology**

The Bureau of Meteorology (the Bureau) is an executive and prescribed agency and is responsible for the outcome:

- Australia benefits from meteorological and related science and services.

The Bureau is the national meteorological authority and makes meteorological observations; forecasts the weather and climate; issues weather warnings; studies climate change; and supports international cooperation. The Bureau also has a new role requiring it to monitor and measure the nation's water resources. The Bureau's work supports all Australians, including the Australian Defence Force and key industry sectors such as transport and agriculture. The Bureau operates under the *Meteorology Act 1955* and the *Water Act 2007*.

#### **Director of National Parks**

The Director of National Parks (DNP) is a Commonwealth authority and is responsible for the outcome:

- Conservation and appreciation of Commonwealth reserves. (This contributes to protecting the environment and is an element of DEWHA's Outcome 1.)

DNP manages the Australian Government's Commonwealth reserves and conservation zones, including Kakadu and Uluru-Kata Tjuta National Parks, and provides national leadership in protected area management. DNP operates under the *Environment Protection and Biodiversity Conservation Act 1999*.

#### **Great Barrier Reef Marine Park Authority**

The Great Barrier Reef Marine Park Authority (GBRMPA) is a Commonwealth authority and statutory agency and is responsible for the outcome:

- Protection, wise use, understanding and enjoyment of the Great Barrier Reef. (This contributes to protecting the environment and is an element of DEWHA's Outcome 1.)

The GBRMPA protects and conserves the World Heritage values of the Great Barrier Reef and operates under the *Great Barrier Reef Marine Park Act 1975*. The Great Barrier Reef Marine Park Amendment Bill 2007, amended the *Great Barrier Reef Marine Park Act 1975*. Amongst other things, those amendments will implement changes to the

governance of the GBRMPA, including making the GBRMPA subject to the *Financial Management and Accountability Act 1997*.

### **Sydney Harbour Federation Trust**

The Sydney Harbour Federation Trust (SHFT) is a Commonwealth authority and is responsible for the outcome:

- Trust lands on Sydney Harbour are conserved and enhanced for the benefit of present and future generations of Australians. (This contributes to protecting the environment and is an element of DEWHA's Outcome 1.)

SHFT is responsible for conserving and planning the future uses of former military bases and other Commonwealth land around Sydney Harbour. SHFT operates under the *Sydney Harbour Federation Trust Act 2001*.

### **National Water Commission**

The National Water Commission (NWC) is an independent statutory body within the Portfolio and is responsible for the outcome:

- Sustainable management and use of Australia's water resources.

The NWC operates under the *National Water Commission Act 2004*, and works to improve water management across Australia, through the National Water Initiative.

### **Murray-Darling Basin Authority**

The Murray-Darling Basin Authority (MDBA) is an independent body within the Portfolio, established by the *Water Act 2007* and is responsible for the outcome:

- Managing water resources in the Murray-Darling.

On 26 March 2008 the Prime Minister and First Ministers from all Murray-Darling Basin States agreed that the Murray-Darling Basin Authority and the current Murray-Darling Basin Commission will be brought together as a new independent Murray-Darling Basin Authority. The Chairperson/Chief Executive and other members of the new Authority are yet to be appointed and the MDBA is yet to become operational. As such, there are no agency statements for the MDBA included in these Portfolio Budget Statements.

The new Authority will develop and implement the Basin Plan which will include a sustainable cap on surface and groundwater diversions across the Basin, an Environmental Watering Plan, a Water Quality and Salinity Management Plan and water trading and transfer rules. It will also undertake the current functions of the

### *Portfolio overview*

Murray-Darling Basin Commission (state water shares, Murray River operations, the Living Murray Initiative and a range of natural resource management programs).

#### **Australia Council**

The Australia Council (the Council) is a statutory body within the Portfolio and is responsible for the outcomes:

- Outcome 1: Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence; and
- Outcome 2: Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts.

The Council operates under the *Australia Council Act 1975*, and is the Australian Government's principal arts funding and advisory body. It aims to enrich our nation's culture through support and promotion of the arts.

#### **Australian Film, Television and Radio School**

The Australian Film, Television and Radio School (AFTRS) is the national advanced-level training institution for the film and broadcast industries. It is responsible for the outcome:

- Enhanced cultural identity.

The AFTRS provides advanced education and training in program making for the Australian broadcast media industries which enhances the Australian cultural identity. It is the only fully postgraduate specialist academy in the field in Australia and provides postgraduate and advanced skills training. The School value-adds at all levels of industry by new training, re-training and staff interface with industry. It provides opportunities for students to acquire and demonstrate skills of an internationally recognised standard.

The AFTRS operates under the *Australian Film, Television and Radio School Act 1973*. It acts in partnership with other levels of Government, industry and community organisations to enhance skills and promote the expression of a national identity in broadcasting.

### **Australian National Maritime Museum**

The Australian National Maritime Museum (ANMM) is a Commonwealth authority and statutory agency and is responsible for the outcome:

- Increased knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea.

The ANMM operates under the *Australian National Maritime Museum Act 1990*.

### **National Film and Sound Archive**

The National Film and Sound Archive (NFSA) is a Commonwealth authority and is responsible for the outcome:

- Maintain the national audiovisual collection.

The NFSA will commence operation on 1 July 2008. Previously the NFSA was a Division of the Australian Film Commission from 2003–2008. The NFSA will operate under the *National Film and Sound Archive Act 2008*.

### **National Gallery of Australia**

The National Gallery of Australia (NGA) is an independent statutory authority and is responsible for the outcome:

- Encourage understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.

The NGA operates under the *National Gallery Act 1975*.

### **National Library of Australia**

The National Library of Australia (NLA) is an independent statutory authority within the Portfolio and is responsible for the outcome:

- Australians have access to a national collection of library material to enhance learning, knowledge creation, enjoyment and understanding of Australian life and society.

The NLA's role is to ensure that documentary resources of national significance relating to Australia and the Australian people, as well as significant non-Australian library materials, are collected, preserved and made accessible either through the Library itself or through collaborative arrangements with other libraries. The NLA operates under the *National Library of Australia Act 1960*.

### **National Museum of Australia**

The National Museum of Australia (NMA) is a Commonwealth authority and is responsible for the outcome:

- Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture.

The role of the NMA is to research Australian history, develop and maintain a national collection of historical material, create exhibitions and programs which explore our heritage and history, and make it more accessible to more Australians.

The NMA operates under the *National Museum of Australia Act 1980*.

### **Screen Australia**

Screen Australia is a Commonwealth authority and is responsible for the outcome:

- Enriched Australian screen content.

Screen Australia will commence operation on 1 July 2008 bringing together the majority of the functions of the Australian Film Commission (AFC) with those of the Film Finance Corporation and Film Australia Limited. The National Film and Sound Archive, previously a division of the AFC, will commence operation as a separate statutory authority at the same time. Screen Australia operates under the *Screen Australia Act 2008*.

More details about each agency's responsibilities appear in individual agency budget statements contained in these Portfolio Budget Statements.

**Figure 1: Environment, Water, Heritage and the Arts Portfolio structure and outcomes**

<p align="center"><b>Minister for the Environment, Heritage and the Arts</b> The Honourable Peter Garrett AM MP <b>Minister for Climate Change and Water</b> Senator the Honourable Penelope Wong</p>	
<p align="center"><b>Department of the Environment, Water, Heritage and the Arts</b> Portfolio Secretary - Mr David Borthwick <b>Outcome 1:</b> <i>The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</i> <b>Outcome 2:</b> <i>Australia's interests in Antarctica are advanced</i> <b>Outcome 3:</b> <i>More efficient and sustainable use of Australia's water resources</i> <b>Outcome 4<sup>(1)</sup>:</b> <i>Development of a rich and stimulating cultural sector for all Australians</i></p>	
<p align="center"><b>Bureau of Meteorology</b> Director of Meteorology - Dr Geoff Love <b>Outcome:</b> <i>Australia benefits from meteorological and related science and services</i></p>	
<p align="center"><b>Director of National Parks</b> Director - Mr Peter Cochrane <b>Outcome:</b> <i>Conservation and appreciation of Commonwealth reserves</i></p>	
<p align="center"><b>Great Barrier Reef Marine Park Authority</b> Chairperson - Dr Russell Reichett <b>Outcome:</b> <i>Protection, wise use, understanding and enjoyment of the Great Barrier Reef</i></p>	
<p align="center"><b>Sydney Harbour Federation Trust</b> Executive Director - Mr Geoff Bailey <b>Outcome:</b> <i>Trust lands on Sydney Harbour are conserved and enhanced for the benefit of present and future generations of Australians</i></p>	
<p align="center"><b>National Water Commission</b> Chief Executive Officer - Mr Ken Matthews <b>Outcome:</b> <i>Sustainable management and use of Australia's water resources</i></p>	
<p align="center"><b>Murray-Darling Basin Authority</b> <b>Outcome<sup>(2)</sup>:</b> <i>Managing water resources in the Murray-Darling</i></p>	
<p align="center"><b>Australia Council</b> Chief Executive Officer - Ms Kathy Keele <b>Outcome 1<sup>(3)</sup>:</b> <i>Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence</i> <b>Outcome 2<sup>(3)</sup>:</b> <i>Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts</i></p>	
<p align="center"><b>Australian Film, Television and Radio School</b> Chief Executive Officer - Ms Sandra Levy <b>Outcome<sup>(3)</sup>:</b> <i>Enhanced cultural identity</i></p>	
<p align="center"><b>Australian National Maritime Museum</b> Director - Ms Mary-Louise Williams <b>Outcome<sup>(3)</sup>:</b> <i>Increased knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea</i></p>	
<p align="center"><b>National Gallery of Australia</b> Director - Mr Ron Radford AM <b>Outcome<sup>(3)</sup>:</b> <i>Encourage understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally</i></p>	
<p align="center"><b>National Film and Sound Archive</b> <b>Outcome<sup>(4)</sup>:</b> <i>Maintain the national audiovisual collection</i></p>	
<p align="center"><b>National Library of Australia</b> Director General - Ms Jan Fullerton <b>Outcome<sup>(3)</sup>:</b> <i>Australians have access to a national collection of library material to enhance learning, knowledge creation, enjoyment and understanding of Australian life and society</i></p>	
<p align="center"><b>National Museum of Australia</b> Director - Mr Craddock Morton <b>Outcome<sup>(3)</sup>:</b> <i>Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture</i></p>	
<p align="center"><b>Screen Australia</b> <b>Outcome<sup>(4)</sup>:</b> <i>Enriched Australian screen content</i></p>	

<sup>(1)</sup> The Department of the Environment, Water, Heritage and the Arts' Outcome 4 was adopted from the former Department of Communications, Information Technology and the Arts Outcome 1, reflecting the functions transferred from the department.

<sup>(2)</sup> The Murray-Darling Basin Authority (MDBA) was established under the *Water Act 2007*. There are no agency statements for the MDBA included in these Portfolio Budget Statements as the MDBA is not expected to be fully operational until later in 2008-09.

<sup>(3)</sup> These outcomes were adopted from the former Communications, Information Technology and the Arts Portfolio, reflecting the functions transferred from the portfolio.

<sup>(4)</sup> The National Film and Sound Archive and Screen Australia are two newly established agencies in the Environment, Water, Heritage and the Arts Portfolio, and incorporate functions from the Australian Film Commission, which will cease to exist from 1 July 2008.

Note: The Australian Business Arts Foundation Limited, Film Australia Limited, Film Finance Corporation Australia Limited and the Bundanon Trust are also agencies within the Environment, Water, Heritage and the Arts Portfolio. These agencies are non-general government sector entities and therefore are not required to be reported in the Portfolio Budget Statements.

## PORTFOLIO RESOURCES MADE AVAILABLE IN THE BUDGET YEAR

**Table 1: Portfolio resources made available in the Budget year**

	Appropriation			Receipts	Total
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
<b>Department of the Environment, Water, Heritage and the Arts</b>					
Administered appropriations					
Outcome 1 Environment	677.8	40.0	-	23.8	741.6
Outcome 2 Antarctic	-	-	-	-	-
Outcome 3 Water	676.4	57.0	-	0.3	733.7
Outcome 4 Arts	208.2	-	-	-	208.2
Administered assets and liabilities	-	2.2	-	-	2.2
<b>Total:</b>					<b>1,685.7</b>
Departmental appropriations					
Outcome 1 Environment	254.1	-	-	72.3	326.4
Outcome 2 Antarctic	104.6	-	-	11.8	116.4
Outcome 3 Water	62.1	-	-	0.2	62.3
Outcome 4 Arts	49.1	-	-	7.2	56.4
Equity injections	-	1.2	-	-	1.2
<b>Total:</b>					<b>562.6</b>
<b>Bureau of Meteorology</b>					
Administered appropriations					
	-	20.0	-	-	20.0
Departmental appropriations					
	244.8	-	-	24.2	269.0
Equity Injections					
	-	10.9	-	-	10.9
<b>Total:</b>					<b>300.0</b>
<b>Director of National Parks</b>					
Departmental appropriations					
	-	-	-	56.0	56.0
Equity Injections					
	-	0.2	-	-	0.2
<b>Total:</b>					<b>56.2</b>
<b>Great Barrier Reef Marine Park Authority</b>					
Administered appropriations					
	0.8	-	-	-	0.8
Departmental appropriations					
	20.5	-	8.2	13.3	42.0
Equity Injections					
	-	..	-	-	..
<b>Total:</b>					<b>42.8</b>
<b>Sydney Harbour Federation Trust</b>					
Departmental appropriations					
	..	-	-	8.9	9.0
Equity Injections					
	-	22.0	-	-	22.0
<b>Total:</b>					<b>31.0</b>
<b>National Water Commission</b>					
Administered appropriations					
	0.3	-	-	-	0.3
Departmental appropriations					
	8.4	-	-	-	8.4
<b>Total:</b>					<b>8.7</b>
<b>Australia Council</b>					
Departmental appropriations					
Outcome 1	91.2	-	-	8.5	99.7
Outcome 2	69.4	-	-	6.4	75.8
<b>Total:</b>					<b>175.5</b>

**Table 1: Portfolio resources made available in the Budget year (continued)**

	Appropriation			Receipts	Total
	Bill No. 1 \$m	Bill No. 2 \$m	Special \$m	\$m	\$m
<b>Australian Film, Television and Radio School</b>					
Departmental appropriations	23.3	-	-	-	23.3
<b>Total:</b>					<b>23.3</b>
<b>Australian National Maritime Museum</b>					
Departmental appropriations	23.1	-	-	6.8	29.8
<b>Total:</b>					<b>29.8</b>
<b>National Film and Sound Archive</b>					
Departmental appropriations	25.2	-	-	-	25.2
<b>Total:</b>					<b>25.2</b>
<b>National Gallery of Australia</b>					
Departmental appropriations	41.8	-	-	5.8	47.6
Equity Injections	-	36.7	-	-	36.7
<b>Total:</b>					<b>84.3</b>
<b>National Library of Australia</b>					
Departmental appropriations	57.7	-	-	11.0	68.7
Equity Injections	-	1.0	-	-	1.0
<b>Total:</b>					<b>69.7</b>
<b>National Museum of Australia</b>					
Departmental appropriations	40.3	-	-	5.2	45.5
Equity Injections	-	1.1	-	-	1.1
<b>Total:</b>					<b>46.6</b>
<b>Screen Australia</b>					
Departmental appropriations	31.4	-	-	60.5	91.9
<b>Total:</b>					<b>91.9</b>
<b>Resources available within the Portfolio:</b>					<b>3,233.2</b>



# AGENCY RESOURCES AND PLANNED PERFORMANCE

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**Department of the  
Environment, Water, Heritage  
and the Arts**

**Agency resources and planned  
performance**



# DEPARTMENT OF THE ENVIRONMENT, WATER, HERITAGE AND THE ARTS

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# DEPARTMENT OF THE ENVIRONMENT, WATER, HERITAGE AND THE ARTS

## Section 1: Agency overview and resources

The Department of the Environment, Water, Heritage and the Arts (DEWHA) protects Australia's environment and heritage, advances Australia's Antarctic interests on behalf of the Australian Government, enables the more efficient and sustainable use of Australia's water resources and, under its new Outcome 4, supports the development of a rich and stimulating cultural sector for all Australians.

### 1.1 STRATEGIC DIRECTION

Since the 2007-08 Budget, the structure of DEWHA has changed through the Administrative Arrangements Orders announced by the Prime Minister on 29 November 2007 and finalised by the Governor-General on 25 January 2008. These changes are detailed on pages 3 and 4 of the Portfolio Additional Estimates Statements 2007-08; the main changes being the addition of responsibility for arts and culture to DEWHA and the transfer of some climate change responsibilities to the new Department of Climate Change.

DEWHA's primary roles can be conceptualised under four broad themes encompassing the policies and programs DEWHA is responsible for. These themes are Arts, Culture and Heritage; Water Resources; the Human Environment; and the Natural Environment, including support for Australia's interests in Antarctica. Each of these themes is addressed below including those outcomes DEWHA aims to achieve in 2008-09 and the Budget measures provided in support of these objectives.

The use of these themes to describe the work of DEWHA is intended to provide a robust structural framework for the future, with sufficient scope to accommodate potential additions or adjustments to DEWHA's functions. Over the course of 2008-09 DEWHA will assess the alignment of its existing Outcomes and Outputs with these themes to inform any changes that may be required to ensure our role and direction are underpinned by a coherent strategic foundation.

DEWHA's Arts, Culture and Heritage functions support the development and preservation of Australia's cultural sector and creative output across a broad spectrum, from visual and performing arts, through cultural activities and awareness, to heritage places and items. There is a strong focus on ensuring the Indigenous aspects of these fields are recognised and supported in all policy and program activities.

In 2008-09 DEWHA will particularly focus on enhancing development of a vibrant and sustainable cultural sector by increasing the support for Australia's Indigenous and visual artists, promoting Australian literature, providing a more efficient framework for the Australian film industry, and improving the effectiveness of the Australia Council.

In the 2008-09 Budget the Australian Government has provided \$1.5 million towards the implementation of a resale royalty rights scheme for visual artists. The Budget also provides for the establishment of the National Film and Sound Archive as a separate statutory authority, and the creation of Screen Australia as a separate institution to ensure the development of a sustainable Australian screen industry.

Ensuring the sustainable use of Australia's water resources is another key focus for DEWHA. Policies and programs under this theme aim to better prepare Australia for the likely effects of climate change on water availability, improve water supply security and improve the health of rivers and water dependent ecosystems. They include measures to both increase the sustainability of water use across the nation and to increase the efficiency with which water is currently used, particularly in the Murray-Darling Basin.

Australian Government funding for water policy objectives includes \$1 billion for the Water for the Future - National Urban Water and Desalination Plan to secure the water supplies of Australia's major cities. A further \$254.8 million is provided for the Water for the Future - National Water Security Plan for Cities and Towns to ensure that urban water supplies across Australia are secured and made more efficient through the provision of better infrastructure. In addition, \$250 million will be provided for the Water for the Future - National Rainwater and Greywater Initiative. Early action to address water scarcity in the Murray-Darling Basin is also being supported through the bringing forward of \$400 million.

The Australian Government has announced a wide ranging agenda to help put Australian homes and communities on a sustainable footing. The policies and programs being delivered in this area will enable a greater understanding and mitigation of the impacts of human activities on Australia's environment. There are a significant number of initiatives under this theme being funded through the 2008-09 Budget for DEWHA to focus on during the year. One particularly important goal of these programs is to increase energy efficiency and use of renewable energy throughout the community.

Specific measures in this Budget include \$300 million for the Green Loans program to enable families to install more efficient products in their homes, and a \$150 million Low Emissions Plan for Renters program to accelerate the uptake of insulation in rental properties. In addition, investment will be made to enable the establishment of a One Stop Green Shop (\$3 million); to phase out inefficient hot water systems (\$7.9 million); and to create a 10-star appliance labelling scheme under the Energy Efficiency of Electrical Appliances program (\$14 million).

The Natural Environment functions of DEWHA encompass the protection and conservation of Australia's natural environment and biodiversity, with a particular focus on matters of national environmental significance, as well as support for Australia's interests and activities in Antarctica. The predominant outcome DEWHA is working to achieve in 2008-09 under this theme is the effective establishment of the Government's Caring for our Country, replacing the Natural Heritage Trust.

Caring for our Country sets the Government's natural resource management goals across six national priority areas: the National Reserve System; biodiversity and natural icons; coastal environments and aquatic habitats; sustainable farm practices; natural resource management in remote and northern Australia; and community skills, knowledge and engagement. It includes a number of Government commitments such as the Great Barrier Reef Rescue Plan (\$200 million), Community Coastcare (\$100 million), expansion of Indigenous Protected Areas (\$50 million), increased Indigenous Rangers (\$90 million), and initiatives to save the Tasmanian Devil, fight cane toads, and improve water quality in the Gippsland Lakes. The program will be delivered jointly with the Department of Agriculture, Fisheries and Forestry.

In addition to Caring for our Country, other key natural environment focussed goals for 2008-09 include progressing a strategic assessment of the Kimberley region; enhancing protection measures to improve the conservation status of all cetaceans, including working towards an end to all forms of scientific and commercial whaling; and continued integration of the new Antarctic Airlink into operations to support Australia's scientific effort in Antarctica.

Another key goal for DEWHA will be to support the first 10-year review of the *Environment Protection and Biodiversity Conservation Act 1999*, which the Minister must initiate under s.522A of that Act. The review will consider the operation of the Act and the extent to which its objects have been achieved.

As well as these specific goals, DEWHA will also contribute to a range of objectives that require whole-of-government action. These include the need to identify and address the needs of Indigenous Australians throughout the various aspects of DEWHA's work; ensure policy and program development is undertaken in a cost-effective manner; and, wherever possible, reduce and simplify the regulatory burden on the Australian community.

In 2008-09 there will be a number of evident challenges for DEWHA that will require particular attention in order to ensure that they are effectively addressed. Two particularly significant issues are information availability and inter-jurisdictional action. There is a clear requirement to ensure that environmental policy and programs are based on robust biophysical and economic data. The collection and analysis of such data and its integration into coherent frameworks is ongoing, and DEWHA is actively working to ensure that this is being progressed.

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All the themes of activity for DEWHA have elements of inter-jurisdictional management to them. The implementation of DEWHA's goals rely intrinsically on these relationships, for example through COAG Working Groups. DEWHA is committed to continuing its work by improving existing sturdy and productive relationships with the States and Territories.

Over the course of 2008-09, DEWHA will endeavour to meet these objectives from which future environment and cultural challenges can be addressed and provide a solid basis to enhance the cultural life of Australia.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Department of the Environment, Water, Heritage and the Arts resource statement — Budget estimates for 2008–09 as at Budget May 2008**

	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	66,341	469,866	536,207	478,135
s31 Relevant agency receipts	-	91,541	91,541	75,911
<b>Total</b>	<b>66,341</b>	<b>561,407</b>	<b>627,748</b>	<b>554,046</b>
<b>Administered expenses</b>				
Outcome 1 - Environment	1,528	677,782	679,310	713,614
Outcome 2 - Antarctic	-	-	-	3,000
Outcome 3 - Water	127	676,395	676,522	44,913
Outcome 4 - Arts	217	208,219	208,436	95,446
<b>Total</b>	<b>1,872</b>	<b>1,562,396</b>	<b>1,564,268</b>	<b>856,973</b>
<b>Total ordinary annual services</b>	<b>A 68,213</b>	<b>2,123,803</b>	<b>2,192,016</b>	<b>1,411,019</b>
<b>Other services</b>				
<b>Administered expenses</b>				
<b>Specific payments to States, Act, NT and local government</b>				
Outcome 1 - Environment	308	40,000	40,308	42,361
Outcome 2 - Antarctic	-	-	-	-
Outcome 3 - Water	718	57,014	57,732	88,347
Outcome 4 - Arts	-	-	-	-
<b>Total</b>	<b>1,026</b>	<b>97,014</b>	<b>98,040</b>	<b>130,708</b>
<b>New administered expenses</b>				
Outcome 1 - Environment	-	-	-	-
Outcome 2 - Antarctic	-	-	-	-
Outcome 3 - Water	-	-	-	46,841
Outcome 4 - Arts	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,841</b>
<b>Departmental non-operating</b>				
Equity injection	-	-	-	17,000
Previous years' outputs	1,944	1,202	3,146	-
<b>Total</b>	<b>1,944</b>	<b>1,202</b>	<b>3,146</b>	<b>17,000</b>
<b>Administered non-operating</b>				
Administered Assets and Liabilities	6,491	2,210	8,701	6,751
<b>Total</b>	<b>6,491</b>	<b>2,210</b>	<b>8,701</b>	<b>6,751</b>
<b>Total other services</b>	<b>B 7,517</b>	<b>99,224</b>	<b>106,741</b>	<b>184,300</b>
<b>Total Available Annual Appropriations</b>	<b>75,730</b>	<b>2,223,027</b>	<b>2,298,757</b>	<b>1,595,319</b>

**Table 1.1: Department of the Environment, Water, Heritage and the Arts resource statement—Budget estimates for 2008–09 as at Budget May 2008 (continued)**

	Estimate of prior <sup>+</sup> year amounts available in 2008-09 \$'000	Proposed at Budget <sup>=</sup> 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Special Appropriations</b>				
<b>Special Appropriations limited by criteria/entitlement</b>				
<b>Special Appropriations limited by amount</b>	-	-	-	-
<b>Total Special Appropriations</b> C	-	-	-	-
<b>Total Appropriations excluding Special Accounts</b>				
<b>Special Accounts<sup>6</sup></b>				
Opening balance	483,955	-	483,955	483,955
Appropriation Receipts	-	374,350	374,350	390,298
Appropriation Receipts - other agencies <sup>7</sup>	-	1,342	1,342	-
Non-Appropriation receipts to Special Accounts	-	35,037	35,037	-
<b>Total Special Account</b> D	<b>483,955</b>	<b>410,729</b>	<b>894,684</b>	<b>874,253</b>
<b>Total resourcing</b> A+B+C+D	<b>559,685</b>	<b>2,633,756</b>	<b>3,193,441</b>	<b>2,469,572</b>
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations <sup>8</sup>	-	(43,940)	(43,940)	(43,538)
<b>Total net resourcing for DEWHA</b>	<b>559,685</b>	<b>2,589,816</b>	<b>3,149,501</b>	<b>2,426,034</b>

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

<sup>3</sup> s31 Relevant Agency receipts - estimate

<sup>4</sup> Estimated adjusted balance carried from previous year for Annual Appropriations

<sup>5</sup> The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the Outcome Budgets, for the reconciliation see Table 3.1.1 Reconciliation of Total Available Appropriation and Outcome Budget

<sup>6</sup> Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.3,

<sup>7</sup> Appropriation receipts from annual and special appropriations for 2008-09 included above

<sup>8</sup> Payment to the Director of National Parks

Reader note: All figures are GST exclusive

**Third Party Drawdowns from and on behalf of other agencies**

	<b>\$'000</b>
Payments made to CAC Act Bodies within the Portfolio	
Australia Council	160,640
Australian Film, Television and Radio School	23,301
Australian National Maritime Museum	23,069
National Film and Sound Archive	25,172
National Gallery of Australia	41,796
National Library of Australia	57,680
National Museum of Australia	40,275
Screen Australia	31,389
Sydney Harbour Federation Trust	24
Bureau of Meteorology	-
Great Barrier Reef Marine Park Authority	800
National Water Commission	318
<i>(disclosed above)</i>	<b>404,464</b>

**1.3 BUDGET MEASURES**

Budget measures relating to the Department of the Environment, Water, Heritage and the Arts are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Department of the Environment, Water, Heritage and the Arts 2008–09 Budget measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	
<b>Expense measures (if applicable)</b>						
Tackling Climate Change - Energy Efficiency of Electrical Appliances						
	1.1					
		Administered expense	500	2,500	2,500	2,500
		Departmental outputs	1,498	1,642	1,488	1,372
		<b>Total</b>	<b>1,998</b>	<b>4,142</b>	<b>3,988</b>	<b>3,872</b>
Tackling Climate Change - Hot Water System Phase-Out - development and implementation <sup>(1)</sup>						
	1.1					
		Administered expense	-	-	-	-
		Departmental outputs	-	-	-	-
		<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Tackling Climate Change - Low Emission Plan for Renters - establishment <sup>(2)</sup>						
	1.1					
		Administered expense	10,500	37,500	50,000	50,000
		Departmental outputs	-	-	-	-
		<b>Total</b>	<b>10,500</b>	<b>37,500</b>	<b>50,000</b>	<b>50,000</b>
Tackling Climate Change - One Stop Green Shop - establishment						
	1.1					
		Administered expense	-	-	-	-
		Departmental outputs	1,000	1,000	1,000	-
		<b>Total</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>
Tackling Climate Change - Deception Bay Pool - contribution <sup>(1)</sup>						
	1.1					
		Administered expense	-	-	-	-
		Departmental outputs	-	-	-	-
		<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 1.2: Department of the Environment, Water, Heritage and the Arts 2008–09 Budget measures (continued)**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Tackling Climate Change - Green Loans<sup>(3)</sup></b>					
	1.1				
Administered expense		13,611	56,550	84,325	84,325
Departmental outputs		3,786	3,689	3,782	3,605
<b>Total</b>		<b>17,397</b>	<b>60,239</b>	<b>88,107</b>	<b>87,930</b>
<b>Tackling Climate Change - Solar Homes and Communities Plan<sup>(4)</sup></b>					
	1.1				
Administered expense		24,050	17,750	(25,750)	(16,050)
Departmental outputs		1,566	1,671	(1,605)	(1,631)
<b>Total</b>		<b>25,616</b>	<b>19,421</b>	<b>(27,355)</b>	<b>(17,681)</b>
<b>Caring for our Country<sup>(5)</sup></b>					
	1.1-1.5				
Administered expense		(12,500)	(10,500)	500	5,000
Departmental outputs		-	-	-	-
<b>Total</b>		<b>(12,500)</b>	<b>(10,500)</b>	<b>500</b>	<b>5,000</b>
<b>Responsible Economic Management - Water for the Future - Murray Darling Basin Authority<sup>(7)</sup></b>					
	3.1				
Administered expense		-	-	-	-
Departmental outputs		(26,000)	-	-	-
<b>Total</b>		<b>(26,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Water for the Future - National Urban Water and Desalination Plan<sup>(6)</sup></b>					
	3.2				
Administered expense		14,000	129,000	195,000	315,000
Departmental outputs		-	-	-	-
<b>Total</b>		<b>14,000</b>	<b>129,000</b>	<b>195,000</b>	<b>315,000</b>
<b>Water for the Future - National Rainwater and Greywater Initiative<sup>(8)</sup></b>					
	3.2				
Administered expense		19,000	38,000	59,000	60,000
Departmental outputs		-	-	-	-
<b>Total</b>		<b>19,000</b>	<b>38,000</b>	<b>59,000</b>	<b>60,000</b>
<b>A creative Australia - Regional Arts Fund - continuation<sup>(9)</sup></b>					
	4.1				
Administered expense		-	-	-	-
Departmental outputs		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>A creative Australia - Resale Royalty Rights for Visual Artists - implementation</b>					
	4.1				
Administered expense		800	500	300	-
Departmental outputs		-	-	-	-
<b>Total</b>		<b>800</b>	<b>500</b>	<b>300</b>	<b>-</b>
<b>Total expense measures</b>					
	Administered	69,961	271,300	365,875	500,775
	Departmental	(18,150)	8,002	4,665	3,346
	<b>Total</b>	<b>51,811</b>	<b>279,302</b>	<b>370,540</b>	<b>504,121</b>

**Table 1.2: Department of the Environment, Water, Heritage and the Arts 2008–09 Budget measures (continued)**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Savings measures</b>					
Responsible Economic Management - Community Water Grants	3.2				
Administered expense		(40,909)	(25,041)	-	-
Departmental outputs		(573)	(1,500)	(1,891)	(3,652)
<b>Total</b>		<b>(41,482)</b>	<b>(26,541)</b>	<b>(1,891)</b>	<b>(3,652)</b>
<b>Total savings measures</b>					
Administered		(40,909)	(25,041)	-	-
Departmental		(573)	(1,500)	(1,891)	(3,652)
<b>Total</b>		<b>(41,482)</b>	<b>(26,541)</b>	<b>(1,891)</b>	<b>(3,652)</b>

**Prepared on a Government Financial Statistics (fiscal) basis**

- (1) Funding for these measures is to be absorbed from within DEWHA's existing resources.
- (2) This measure also involves funding of \$2.0 million in 2012-13.
- (3) This measure also involves funding of \$46.3 million in 2012-13.
- (4) This measure was previously known as the Photovoltaic Rebate Program (PVRP), and reflects a bring forward of funding.
- (5) This measure integrates delivery of the previous Natural Heritage Trust, and the existing Environmental Stewardship Program, Working on Country Program and National Landcare Program (DAFF). This measure will be jointly delivered with DAFF.
- (6) This measure also involves funding of \$155.0 million in 2012-13. This measure will be jointly delivered with the Australian Taxation Office. DEWHA is the lead agency and the full measure description and package details appear in Budget Paper 2 under the Environment, Water, Heritage and the Arts Portfolio.
- (7) This measure involves a movement of \$26.0 million from 2008-09 into 2015-16.
- (8) This measure also includes funding of \$50.0 million in 2012-13 and \$24.0 million in 2013-14.
- (9) This measure continues the lapsing component of funding (\$11.8 million over four years) already provided for in DEWHA's forward budget estimates.



## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the Department of the Environment, Water, Heritage and the Arts (DEWHA) in achieving Government outcomes.

#### **2.1.1 Outcome 1: The environment, especially those aspects that are matters of national environmental significance, is protected and conserved**

##### **Outcome 1 Strategy**

DEWHA's key focus is on developing and implementing the Australian Government's policies to protect and conserve the environment and our natural and cultural heritage. A more sustainable Australia will enable future generations to maintain a high standard of living and enjoy the benefits of a healthy and resilient environment.

Throughout 2008–09 DEWHA will particularly focus on implementing a range of key Australian Government election commitments, as well as on the continuation of work already underway to deliver our environmental, social and economic outcomes.

We will continue work to reduce Australia's greenhouse gas emissions through the delivery of a range of programs which integrate greenhouse issues into household and business decisions. The main focus of these efforts will be to encourage the adoption of energy efficiency measures across the Australian economy and to support the deployment of renewable energy technology at the household, school and community level.

The Australian Government is leading the review of the National Biodiversity Strategy which sets out the strategic approach for conserving biodiversity across Australia. The Australian Government is also leading the review of the National Vegetation Framework to reverse the decline in Australia's native vegetation. Complementing and informing these reviews is the range of national policy and program work undertaken by DEWHA, targeted at protecting biodiversity in forest, woodland,

grassland and rangeland ecosystems. A number of programs, including the Environmental Stewardship Program, Tasmanian Forest Conservation Fund and revolving funds are providing incentives in order to secure long-term conservation outcomes on private land.

Caring for our Country will focus efforts to promote an environment that is healthy, better protected, well managed, resilient and provides essential ecosystem services in a changing environment, through several priority areas that reflect the Australian Government's commitment to our natural heritage and the sustainability of our natural environment. In 2008–09 efforts under these priority areas will include the enhancement of our National Reserve System (NRS) and Indigenous Protected Areas, protection and conservation of biodiversity, including stewardship programs, incentives for landholders and planning, identification and protection of national icons, and efforts to recover endangered species. Caring for our Country will also work towards securing better environmental and natural resource outcomes in remote and northern Australia. Caring for our Country will engage with farmers and landholders to improve practices at the farm level, with a view to achieving significant public benefits through improved water quality and natural resource condition, to ensure a sound base for future economic growth, and more prosperous and resilient rural communities.

Over the coming years we will implement the Australian Biological Resources Study Strategic Plan 2007–11; the Nationally Consistent Approach for Access to and Utilisation of Australia's Native Genetic and Biochemical Resources, and the Directions Statement for the National Reserve System endorsed by the Natural Resource Management Ministerial Council. In addition, research will be conducted on the management of tropical rivers and their associated wetlands in northern Australia, with a focus on sustainability of these natural resources.

DEWHA will also continue the range of responsibilities under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), including assessment of Commonwealth managed and all export fisheries, protection of cetaceans, migratory and threatened species, declaration and management of Commonwealth Marine Protected Areas (MPAs), and protection of internationally important migratory waterbirds and marine species including seabirds. Marine Bioregional Plans are also being prepared to meet the requirements of the EPBC Act and the Australian Government's Commitment to the National Reserve System for Marine Protected Areas.

Coastal environments are also a priority for investment under Caring for our Country. The protection and conservation of coastal ecosystems will be achieved through investment in a range of measures, including the Great Barrier Reef Rescue Plan and Community Coastcare. In 2008–09 Caring for our Country will initiate a comprehensive \$200 million five year Reef Rescue Plan that will tackle the impacts of climate change and improve water quality in the Reef through a range of activities. This represents a significant commitment to address the threats of climate change and

declining water quality to the Great Barrier Reef and will have significant benefits for the Reef, local landholders, farmers, the tourism and fishing industries, and Indigenous communities adjacent to the Reef.

Further work will be undertaken to help ensure a cleaner, healthier environment through monitoring, assessing, setting standards and managing the environmental impacts of pollutants, hazardous substances and wastes of national significance. This will include best practice in implementing national legislation covering hazardous waste, fuel quality, ozone depleting substances, synthetic greenhouse gases and waste oil, and the implementation of national environment protection measures on air quality, diesel vehicles, contaminated sites, used packaging, and controlled wastes. The National Pollutant Inventory will be expanded and enhanced, with improved and updated Australian emission estimation methods and a revised public disclosure mechanism (web site) that will broaden the usefulness of the program.

Finally, work is underway on the acquisition and assessment of data for the Australian State of the Environment Report, the fourth of which is due in 2011.

**Outcome 1 Resource statement**

Table 2.1.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1.1: Total resources for Outcome 1**

<b>Outcome 1: The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.1 Energy efficiency and climate change action</b>		
<b>Administered Items:</b>		
Appropriation Bill 1	B1	
Greenhouse action to enhance sustainability in regional Australia	251,523	118,248
Influencing International Climate Change policy	-	312
Greenhouse Gas Abatement Program	-	71
Renewable Energy Equity Fund	13,422	16,347
Alternate Fuel Conversion Program	-	935
Renewable Remote Power Generation Program	-	1,300
Action on Energy Efficiency	9,750	3,197
Tackling Climate Change - Energy Efficiency of Electrical Appliances	900	900
Tackling Climate Change - Low Emission Plan for Renters - establishment	500	-
Tackling Climate Change - Green Loans	10,500	-
Local Greenhouse Action	13,611	-
Low Emmissions Technology and Abatement Program	400	400
Low Emissions Technology Demonstration Fund	7,600	5,905
Advanced Electricity Storage Technologies	-	2,000
Securing Australia's Energy Future - Solar Cities	-	800
Solar Hot Water Rebate Program	32,489	16,291
Climate Change - Science Program	35,000	25,000
Tackling Climate Change - National Solar Schools Plan	-	7,811
Tackling Climate Change - Solar Homes and Communities Plan <sup>1</sup>	74,551	8,979
Appropriation Bill 2	B2	
Renewable Remote Power Generation Program	52,800	28,000
Tackling Climate Change - Solar Homes and Communities Plan	40,000	39,811
<b>Departmental Outputs</b>		
Energy efficiency and climate change action	40,000	27,000
Revenues from other sources (s.31)	-	12,811
<b>Subtotal for Output Group 1.1</b>	<b>351,115</b>	<b>251,022</b>

**Table 2.1.1: Total resources for Outcome 1 (continued)**

<b>Outcome 1: The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.2 Conservation of the land and inland waters</b>			
<b>Administered Items:</b>			
Appropriation Bill 1	B1	<u>378,434</u>	<u>328,715</u>
Protecting Australia's Biodiversity Hotspots		-	14,960
Environmental Stewardship Program		-	2,531
A sustainable future for Tasmania - Mole Creek		150	3,093
A sustainable future for Tasmania - Tourism Program		289	1,619
Australian Biological Resources Study (ABRS) Programme		1,992	1,956
Working on Country		-	5,656
Natural Heritage Trust <sup>2</sup>		-	298,900
Caring for our Country <sup>3</sup>		376,003	-
Appropriation Bill 2	B2	<u>-</u>	<u>2,550</u>
Blackburn Lake Sanctuary		-	1,800
Strengthening Tasmania - Tamar River Pylons		-	750
<b>Special Accounts:</b>			
Natural Heritage Trust of Australia Account <sup>4</sup>			
Opening balance		446,627	421,421
Appropriation receipts		373,291	298,900
Non-Appropriation receipts to Special Accounts		22,997	52,606
Other Trust Moneys Account			
Opening balance		1,289	1,289
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		-	-
Services for Other Governments and Non-Agency Bodies			
Opening balance		3,213	3,213
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		-	-
<b>Departmental Outputs</b>			
Conservation of the land and inland waters	B1	62,980	82,724
Revenues from other sources (s.31) for		8,982	22,938
<b>Subtotal for Output Group 1.2</b>		<u>1,297,813</u>	<u>1,214,356</u>

**Table 2.1.1: Total resources for Outcome 1 (continued)**

<b>Outcome 1: The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.3 Conservation of the coasts and oceans</b>			
<b>Administered Items:</b>			
Appropriation Bill 1	B1	-	<u>67,813</u>
Representative Areas Program - Structural Adjustment Package		-	67,813
<b>Departmental Outputs</b>			
Conservation of the coasts and oceans	B1	19,303	21,640
Revenues from other sources (s.31)		5,425	11,574
<b>Subtotal for Output Group 1.3</b>		<u>24,728</u>	<u>101,027</u>
<b>Output Group 1.4 Conservation of natural, indigenous and historic heritage</b>			
<b>Administered Items:</b>			
Appropriation Bill 1	B1	<u>20,045</u>	<u>22,493</u>
National Trust Partnership Program		911	894
National Heritage Investment Initiative		200	3,450
Indigenous Heritage Programme		3,576	3,514
Point Nepean Community Trust and Rental Guarantee		11,207	12,247
Kokoda Track - assistance to Papua New Guinea for management of the Kokoda Track and the Owen Stanley Ranges		3,651	1,888
National Cultural Heritage Special Account <sup>5</sup>		500	500
<b>Departmental Outputs</b>			
Conservation of natural, indigenous and historic heritage		19,234	21,265
Revenues from other sources (s.31)		5,288	3,527
<b>Special Accounts</b>			
National Cultural Heritage Special Account			
Opening balance		21	150
Appropriation receipts		-	350
Non-Appropriation receipts to Special Accounts		479	-
<b>Subtotal for Output Group 1.4</b>		<u>45,067</u>	<u>47,785</u>

**Table 2.1.1: Total resources for Outcome 1 (continued)**

<b>Outcome 1: The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.5 Response to the impacts of human settlements</b>			
<b>Administered Items:</b>			
Appropriation Bill 1	B1	<u>27,780</u>	<u>27,542</u>
Biofuels Taskforce		100	1,851
Launceston Air Quality		-	203
NEPC Service Corporation		429	429
Commonwealth Environment Research Facilities		23,124	22,959
Ozone Protection and Synthetic Greenhouse Gas Account <sup>6</sup>		4,127	2,100
<b>Special Accounts</b>			
Ozone Protection and Synthetic Greenhouse Gas Account (Administered)			
Opening balance		18,273	15,008
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		2,075	5,365
<b>Departmental Outputs</b>			
Response to the impacts of human settlements	B1	68,570	72,090
Revenues from other sources (s.31) for		36,150	27,238
<b>Subtotal for Output Group 1.5</b>		<b>152,848</b>	<b>147,243</b>
<b>Total resources for Outcome 1</b>		<b>1,871,571</b>	<b>1,761,433</b>
		2008-09	2007-08
<b>Average staffing level (number)</b>		1530.2	1396.9

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

(B2) - Annual Appropriation Bill 2 (Other Services)

<sup>1</sup>This program was previously known as the Photovoltaic Rebate Program.

<sup>2</sup> Appropriation item reciepted into the National Heritage Trust Special Account and included in adjustments

<sup>3</sup> This measure integrates delivery of the previous Natural Heritage Trust, Working on Country and Environmental Stewardship Programs. Caring for our Country also includes the National Landcare Program, of which the funding is appropriately directly to DAFF.

<sup>4</sup> Resourcing for the Natural Heritage Trust Special Account does not include GST

<sup>5</sup> Appropriation item reciepted into the National Cultural Heritage Special Account and included in adjustments

<sup>6</sup> Appropriation item reciepted into the Ozone Protection and Synthetic Greenhouse Gas Special Account

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

<b>Output Group 1.1: Energy Efficiency and Climate Change Action</b>
<p>Developing and implementing programs to:</p> <ul style="list-style-type: none"><li>• build industry partnerships to reduce emission of greenhouse gases;</li><li>• encourage action on implementing energy efficiency measures;</li><li>• promote local and regional action to reduce emissions of greenhouse gases; and</li><li>• increase understanding of climate change issues and actions.</li></ul> <p>Components of Output Group 1.1</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"><li>• Tackling Climate Change - Solar Cities and Green Precincts <p>This measure is aimed at demonstrating the economic and environmental impacts of integrating pricing signals with the concentrated uptake of solar, energy efficiency and smart metering technologies.</p><p>It will also identify and implement options for addressing barriers to distributed solar generation, energy efficiency and electricity demand management for grid connected urban areas.</p></li><li>• Local Greenhouse Action (LGA) <p>LGA focuses on building local government capacity to take action to reduce greenhouse gas emissions from its own operations, supporting local government to take action with local households and businesses, and leveraging the influence of local government in planning and transport systems to address community emissions.</p></li><li>• Low Emissions Technology and Abatement (LETA) <p>LETA will reduce greenhouse gas emissions over the longer term by supporting the identification and implementation of cost effective abatement opportunities and the uptake of small-scale low emission technologies.</p><p>It will allow a smoother uptake of renewable energy technologies and build a stronger Australian renewable energy industry.</p></li><li>• Tackling Climate Change - Solar Homes and Communities Plan <p>This program was previously known as the Photovoltaic Rebate Program. The program encourages the long-term use of photovoltaic technology to generate electricity from sunlight to:</p><ul style="list-style-type: none"><li>• increase the use and public awareness of renewable energy in Australia;</li><li>• reduce greenhouse gas emissions; and</li><li>• assist in the development of the Australian photovoltaic industry.</li></ul></li><li>• Renewable Remote Power Generation Program (RRPGP) <p>This rebate program will increase the uptake of renewable energy technology in remote areas of Australia that rely on fossil fuel for electricity generation.</p><p>The objectives of the RRPGP are to:</p><ul style="list-style-type: none"><li>• help provide an effective electricity supply to remote users;</li><li>• assist the development of the Australian renewable energy industry;</li><li>• help meet the energy infrastructure needs of indigenous communities; and</li><li>• lead to long-term greenhouse gas reductions.</li></ul></li></ul>

**Output Group 1.1: Energy Efficiency and Climate Change Action**

- **Solar Hot Water Rebate Program**

This program will accelerate the domestic uptake of solar and heat pump hot water systems to achieve cost-effective greenhouse gas abatement, assist householders to tackle climate change by switching to clean energy technologies and provide a boost to the Australian solar hot water industry.
- **Greenhouse Gas Abatement Program (GGAP)**

GGAP aims to improve environmental management practices in the motor trades sector, including the management of used oil, recycling of consumables, reducing emissions to air, solid and liquid waste management, water conservation and storage of hazardous/dangerous substances. This is achieved through the implementation of a suite of training and awareness-raising measures designed to improve the environmental practices of small and medium-sized members of the Motor Trades Associations of Australia.
- **Coal Mine Methane Reduction Program**

This program aims to reduce greenhouse gas emissions from coal mining activities during the first Kyoto Protocol period of 2008–2012. It also aims to explore the feasibility of accelerating deployment of near-commercial technologies that will enable combustion of low concentration methane gas in mine ventilation air.
- **Action on Energy Efficiency**

This program is designed to work with industry, business, the community and all levels of government to increase the uptake of cost effective energy efficiency opportunities that will encourage reduced greenhouse emissions, reduce energy demand, and improve Australia's competitiveness.
- **Tackling Climate Change - Low Emission Plan for Renters**

This program will achieve additional, long-term greenhouse gas abatement will provide incentives for landlords to install energy efficiency insulation in residential buildings, while lowering the annual heating and cooling energy costs to tenants. This is an investment in energy efficiency that will help reduce the need for new energy supply infrastructure, including peak network capacity. It will also help Australian homes adjust to possible energy price rises.
- **Tackling Climate Change - Green Loans**

This program will provide households with low-interest green loans to improve water and energy efficiency in existing homes. Households will be supplied with a Green Renovation Pack and a list of potential measures to achieve cost effective greenhouse abatement.
- **Tackling Climate Change - Energy Efficiency of Electrical Appliances**

This program is designed to achieve additional greenhouse gas abatement while lowering the cost to consumers by reducing the energy use of appliances.

It improves the energy efficiency of electrical appliances by: expanding the current 6-star Energy Rating Label to a 10-star rating system (which will include a greater range of appliances, including televisions); introducing Greenhouse and Energy Minimum Standards (GEMS); reviewing existing standards every three years; and accelerating the 1-Watt standard for appliances with a standby mode function.

<b>Output Group 1.1: Energy Efficiency and Climate Change Action</b>	
<ul style="list-style-type: none"> <li>Tackling Climate Change - National Solar Schools Plan</li> </ul> <p>The National Solar Schools Plan aims to transform our schools into micro solar generators and water catchments, reducing resource bills and supporting the growth of clean energy technologies. The program will help raise community awareness about renewable energy generation options.</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>Energy efficiency and climate change action</li> </ul> <p>Developing and implementing greenhouse gas emission management programs to:</p> <ul style="list-style-type: none"> <li>build industry partnerships to reduce greenhouse gas emissions;</li> <li>encourage action on energy efficiency;</li> <li>promote the uptake of renewable energy;</li> <li>promote local and regional action to reduce greenhouse gas emissions; and</li> <li>help to reduce national greenhouse gas emissions and hence reduce the environmental impacts of climate change due to the enhanced greenhouse effect.</li> </ul>	
Key Performance Indicators	2008–09 Target
Emission reductions and energy savings	<p>100% reporting of abatement under the Greenhouse Gas Abatement Program</p> <p>Total energy savings identified through the Solar Cities program reported and provided to the public via website</p> <p>All energy savings and abatement outcomes from energy efficiency policy and programmes reported and recorded to the public via website</p>
Implementation of renewable energy and energy efficiency programs	<p>Expanded Solar Cities program developed and implemented, and:</p> <ul style="list-style-type: none"> <li>three Solar City funding agreements signed</li> <li>four Solar City annual reviews completed</li> </ul> <p>New Greenhouse Challenge Plus members supported, with certification completed within six months</p> <p>All new energy efficiency programs implemented according to agreed implementation timelines</p> <p>Contracts/funding agreements signed for all portfolio's projects under the Asia Pacific Partnership on Clean Development and Climate</p>
Communication and information activities appropriately targeted and implemented	Development and implementation of the first stage of the One Stop Green Shop completed

<b>Output Group 1.1: Energy Efficiency and Climate Change Action</b>	
	<p>500 energy audits under the Household and Small Business Climate Change Action initiative completed</p> <p>The Solar Cities database and public launch completed</p> <p>Consumer focus groups are involved in the development of the appliance labelling programmes</p> <p>Industry representative groups are consulted in the development of mandatory disclosure for residential and commercial buildings</p> <p>All schools receive applicant information under the National Solar Schools Plan</p> <p>Public education campaign undertaken for the Solar Hot Water Rebate Program</p>
Key stakeholders engaged	<p>All seven Solar Cities consortia participate in the annual Solar City meeting</p> <p>Households, schools and business have access to government efficiency programs through the One Stop Green Shop</p> <p>Relevant stakeholder representative groups consulted during the development of energy efficiency regulation</p> <p>Public and private schools consulted in development of the National Solar Schools Plan</p>
Acceptance or uptake of low emission and/or energy efficient technologies	<p>Solar Homes and Communities Plan (formerly Photovoltaic Rebate Program):</p> <ul style="list-style-type: none"> <li>• 6000 household rebates</li> <li>• 400 community buildings grants</li> </ul> <p>35,000 rebates paid under the Solar Hot Water Rebate Program</p> <p>Solar Cities packages offered to the community 100% subscribed</p> <p>Renewable Remote Power Generation Program (RRPGP):</p> <ul style="list-style-type: none"> <li>• 1000 small rebate applications approved</li> <li>• five Major Projects approved</li> </ul>
Number of households/communities/schools participating in program	<p>The total number of households participating in the Solar Cities trials reported and provided to the public via the website</p> <p>The total number of schools registered under the National Solar Schools Plan</p>
Provision of technical advice on greenhouse issues	<p>100% of new transport technology proposals assessed</p>

<b>Output Group 1.1: Energy Efficiency and Climate Change Action</b>	
	<p>Policy advice provided under the Green Building Fund</p> <p>Your Home, Your Building, Your Development manual is reviewed and contains quality and relevant information for identified target audiences</p>

<b>Output Group 1.2: Conservation of the land and inland waters</b>
<p>Development and implementation of Australian Government initiatives to protect and conserve Australia's terrestrial environments, biodiversity and inland waters.</p> <p>Components of Output Group 1.2</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"> <li>• Australian Biological Resources Study Participatory Grants Program <p>Through strategic partnerships, this program will provide the underlying taxonomic knowledge and capacity necessary for the conservation and sustainable use of Australia's biodiversity.</p> </li> <li>• Caring for our Country <p>This program will promote an environment that is healthy, better-protected, well-managed, resilient, and that provides essential ecosystem services in a changed climate. There is a focus on achieving strategic results in six national priority areas: accelerating the establishment of a comprehensive, adequate and representative reserve system; protecting biodiversity and natural icons; the protection and rehabilitation of coastal environments and critical aquatic habitats; encouraging sustainable farm practices; natural resource management in remote and northern Australia; and enhancing the skills and knowledge of Indigenous Australians, volunteers and communities to enable them to form more effective partnerships to deliver landscape-scale change. Caring for our Country is jointly administered by DEWHA and the Department of Agriculture, Fisheries and Forestry (DAFF).</p> </li> <li>• Forest Conservation in Tasmania – Private Land <p>This program provides assistance for private land conservation in Tasmania. The Forest Conservation Fund provides assistance to add 43,000 hectares of private forest to the Tasmanian reserve system. The Mole Creek component provides assistance to preserve up to 2,400 hectares of private forest over karst at Mole Creek. The Tourism component provides assistance to improve ecotourism opportunities and facilities in forest areas of Tasmania.</p> </li> <li>• Forest Conservation in Tasmania – Mole Creek <p>This program provides assistance to preserve up to 2,400 hectares of private forest over karst at Mole Creek.</p> </li> <li>• Forest Conservation in Tasmania – Tourism <p>This program provides assistance to improve ecotourism opportunities and facilities in forest areas of Tasmania.</p> </li> </ul>

<b>Output Group 1.2: Conservation of the land and inland waters</b>	
<p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Terrestrial parks and reserves <p>Help to protect and conserve biodiversity by facilitating the establishment of a comprehensive, adequate and representative system of protected areas in Australia. Manage the Australian Government's terrestrial reserve estate to a high standard through the Director of National Parks. Establish an effective legal framework for managing access to genetic resources to facilitate research and development while protecting biodiversity from over-exploitation. Conduct taxonomic research and training to increase understanding of biodiversity.</p> </li> <li>• Tropical wetlands research <p>Tropical wetlands research in collaboration with relevant research partners will better inform decision making and enhance the protection and conservation of the wetlands of northern Australia.</p> </li> <li>• Land strategies <p>Develop, implement and review national policy approaches to improve the conservation and sustainable use of biodiversity, and implement national programs to improve the conservation of biodiversity.</p> </li> <li>• Land and Water Investments <p>Delivering land and water conservation investments through the Australian Government Natural Resource Management Team (a joint arrangement with DAFF) to help communities work towards:</p> <ul style="list-style-type: none"> <li>• recovering threatened species and ecological communities;</li> <li>• protecting and restoring significant freshwater ecosystems;</li> <li>• reversing the decline in the extent and quality of Australia's native vegetation;</li> <li>• controlling pests, weeds and diseases; and</li> <li>• increasing understanding of biodiversity.</li> </ul> </li> </ul>	
Key Performance Indicators	2008–09 Target
Area of land protected and managed through the National Reserve System Program, including the area of declared Indigenous Protected Areas	<p>An increase in the area of land protected and managed through the National Reserve System, including declared Indigenous Protected Areas in at least:</p> <ul style="list-style-type: none"> <li>• 10% of Australia's 85 bioregions</li> <li>• 25% of Australia's bioregions that have less than 10% in protected areas</li> </ul> <p>Maintenance of contribution of Indigenous Protected Areas to the National Reserve System</p>
Permits issued include benefit sharing arrangements	10% increase in number of permits issued with benefit sharing arrangements
Number of researchers supported under the ABRS Participatory Grants Program	Minimum of 65 researchers supported
Number of projects co-funded with other agencies	Five projects

<b>Output Group 1.2: Conservation of the land and inland waters</b>	
Value of contribution made by other agencies to co-funded projects	For each co-funded project, ≥50% of project funding is received from other agencies
Number of taxa revised or newly described under the program	200 new species published each year
Contribution to tropical wetlands-related research projects and communications activities in TRaCK program	Collate and transfer ERISS' spatial data sets for the Tropical Rivers Region to the TRaCK Commonwealth Environment Research Facilities (CERF) Hub consortium  Complete acquisition of rainfall time series data and remotely sensed radar images for 2007–08 and 2008–09 wet seasons and provide progress report on methods for determining the extent of flood inundation in the Daly and Mitchell River catchments
Contribute to strategic planning for management of Kakadu National Park wetlands	Facilitate in collaboration with other parties, the conduct of workshops on Climate Change and Environmental Risk Assessment for Kakadu wetlands
Develop a national approach to biodiversity conservation	Revise the National Biodiversity Strategy and the National Vegetation Framework
Provide effective incentive mechanisms for public good biodiversity conservation outcomes on private land	Deliver the first two rounds of the Environment Stewardship Program and round two of the Forest Conservation Fund
Reduced threat of invasive species	The Australian Government endorses the Inter-Governmental Agreement for AusBIOSEC
Improved adoption of sustainable on-farm practices	Establish the level of adoption of sustainable on-farm practices for ongoing monitoring (measured through Australian Bureau of Statistics survey)  Establish the level of participation in Landcare, industry or other groups working to maintain or deliver ecosystem services for public benefit (measured through ABS survey)
Improved level of skills, knowledge and engagement of Australian communities	At least 300 community groups engaged in coastal protection and rehabilitation  Increase in number of Indigenous rangers  Increase in Indigenous rangers trained under nationally accredited land management qualification  30 natural resource management facilitators and coordinators appointed in jurisdictions across Australia

<b>Output Group 1.2: Conservation of the land and inland waters</b>	
Australia's biodiversity and natural icons are better protected	<p>Increase in area of land protected and managed</p> <p>Increase in area under environmental contracts or stewardship agreements</p> <p>Increased uptake of incentives for biodiversity conservation on private land</p>
Caring for our Country fully operational	<p>Delivery of election commitments commenced</p> <p>Caring for our Country five year outcomes agreed by the Prime Minister</p> <p>Caring for our Country targets for 2009–10 agreed and published</p> <p>Caring for our Country 2009–10 Business Plan released</p>

<b>Output Group 1.3: Conservation of the coasts and oceans</b>	
<p>Development and implementation of Australian Government initiatives to protect and conserve Australia's coasts and oceans and to ensure their management is ecologically sustainable.</p> <p>Components of Output Group 1.3</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"> <li>• Caring for our Country                     <p>This program will promote an environment that is healthy, better-protected, well-managed, resilient, and that provides essential ecosystem services in a changed climate in terrestrial systems and coastal settlements. There is a focus on achieving strategic results in six national priority areas: accelerating the establishment of a comprehensive, adequate and representative terrestrial system; protecting terrestrial biodiversity and natural icons; the protection and rehabilitation of coastal environments and critical aquatic habitats; encouraging sustainable farm practices; natural resource management in remote and northern Australia; and enhancing the skills and knowledge of Indigenous Australians, volunteers and communities to enable them to form more effective partnerships to deliver landscape-scale change. Caring for our Country is jointly administered by DEWHA and DAFF.</p> </li> </ul> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Coastal strategies                     <p>Developing policies to improve the conservation of coastal biodiversity.</p> </li> <li>• Marine conservation                     <p>Developing national policies and programs to improve the conservation of marine biodiversity and implementing programs to deliver legislative requirements for protection of marine species and ecosystems.</p> </li> <li>• Coastal Investments                     <p>Delivery of coastal conservation investments through the Australian Government Natural Resource Management Team (a joint arrangement with DAFF) to help communities work towards:</p> <ul style="list-style-type: none"> <li>• recovering threatened species and ecological communities;</li> <li>• controlling marine pests; and</li> <li>• increasing understanding and conservation of biodiversity.</li> </ul> </li> </ul>	
Key Performance Indicators	2008–09 Target
A national coastal policy that effectively integrates biodiversity conservation	Draft of the national coastal policy agreed across relevant Australian Government agencies
Effective engagement in international fora to deliver the Government's biodiversity conservation goals	Australia is successful in maintaining support for our position on the Moratorium and obtaining support for our position on Convention reform during the next meeting of the International Whaling Committee
Marine Bioregional Planning is effectively implemented	Marine Bioregional profiles are completed for four marine regions

<b>Output Group 1.3: Conservation of the coasts and oceans</b>	
The National Reserve System of Marine Protected Areas is effectively managed	Management plans in place for all Commonwealth Marine Reserves
Effective conservation measures are in place for marine and migratory species protected under the <i>Environment Protection and Biodiversity Conservation Act 1999</i>	Assessments and plans identify key actions required to ensure protection of species
Coastcare grants available to communities across Australia	At least 300 community groups engaged in coastal protection and rehabilitation
Improved protection for Australia's coastal environments and critical aquatic habitats	<p>Increase in area of coastal environments and critical aquatic habitats protected and managed</p> <p>At least 300 coastal protection and rehabilitation projects funded</p> <p>Establishing a policy and governance framework to implement the Great Barrier Reef Rescue plan</p> <p>At least \$30 million invested in activities that will improve water quality of the Great Barrier Reef</p>

**Output Group 1.4: Conservation of natural, indigenous and historic heritage**

Developing and implementing strategies and programs and administering legislation to identify, protect, conserve and celebrate National and World Heritage in Australia.

Components of Output Group 1.4

**Administered items**

- National Heritage Investment Initiative (NHII)  
Provision of grant funding to assist restoration and conservation of Australia's most important historic heritage places - especially those on the National Heritage List.
- Kokoda Track – assistance to Papua New Guinea for management of the Kokoda Track and the Owen Stanley Ranges  
Assistance to Papua New Guinea (PNG) to protect and manage the Kokoda Track including resources to improve the on-ground management of the track, and to assist the PNG Government to prepare a World Heritage nomination for the Owen Stanley Ranges.
- Indigenous Heritage Program  
Support for the identification, conservation and promotion of the Indigenous heritage values of places important to Aboriginal and Torres Strait Islander people.
- National Trusts Partnership Program  
Provision of funds to the state and territory National Trusts and the Australian Council of National Trusts to increase public awareness, understanding and appreciation of Australia's cultural heritage, and to enhance and promote the conservation of Australia's cultural heritage.
- Point Nepean – University of Melbourne rental guarantee  
Provides funding of \$2.4 million over seven years to the University of Melbourne as a guaranteed annual rental contribution for the establishment of a National Centre for Coasts and Climate at Point Nepean, Victoria.
- National Cultural Heritage Account  
Provision of assistance to Australian cultural organisations to buy objects assessed as 'Australian Protected Objects' under the *Protection of Movable Cultural Heritage Act 1986* (PMCH Act). Its purpose is to encourage organisations to buy objects that they could not otherwise afford with the intention that they be preserved and made accessible to the public.
- Caring for our Country  
This program will promote an environment that is healthy, better-protected, well-managed, resilient, and that provides essential ecosystem services in a changed climate in terrestrial systems and coastal settlements. There is a focus on achieving strategic results in six national priority areas: accelerating the establishment of a comprehensive, adequate and representative terrestrial system; protecting terrestrial biodiversity and natural icons; the protection and rehabilitation of coastal environments and critical aquatic habitats; encouraging sustainable farm practices; natural resource management in remote and northern Australia; and enhancing the skills and knowledge of Indigenous Australians, volunteers and communities to enable them to form more effective partnerships to deliver landscape-scale change. Caring for our Country is jointly administered by DEWHA and DAFF.

<b>Output Group 1.4: Conservation of natural, indigenous and historic heritage</b>	
<p><b>Departmental Outputs</b></p> <p><i>Identifying and protecting heritage places</i></p> <ul style="list-style-type: none"> <li>• Listing of places in the National and Commonwealth Heritage Lists provided for under the EPBC Act in order to extend the protective provisions of that Act to those places.</li> <li>• Development of management plans to assist in the protection of listed places.</li> <li>• Public consultation for proposed new legislation to replace the <i>Aboriginal and Torres Strait Islander Heritage Protection (ATSIHP) Act 1984</i>.</li> </ul> <p><i>Australian Protected Objects</i></p> <p>The Department administers the PMCH Act which enables the issuing of export permits for objects which are assessed as being Australian Protected objects. The PMCH Act also regulates the import of objects which were illegally exported from their country of origin.</p> <p><i>Historic Shipwrecks</i></p> <p>Provision of funding to state and territory agencies to help protect and manage shipwrecks and their relics that are in waters covered by the <i>Historic Shipwrecks Act 1976</i> (ie. from mean low water mark to the edge of the continental shelf).</p> <p><i>National Heritage promotion and awareness</i></p> <p>Assistance to Australians in learning about, accessing and enjoying their heritage. Sustained public engagement ensures the continued protection of heritage, and the long-term economic sustainability of the unique places, objects and stories that form our identity.</p>	
Key Performance Indicators	2008–09 Target
Australia's Heritage areas are identified and protected	<p>One World Heritage area submitted for listing</p> <p>10 National Heritage places listed</p> <p>Six Commonwealth Heritage places listed</p>
Enhanced protection of Australian Government heritage listed places	<p>95% of requests from owners and states and territories, for assistance with the completion of management plans for the:</p> <ul style="list-style-type: none"> <li>• World Heritage List;</li> <li>• National Heritage List; and</li> <li>• Commonwealth Heritage List,</li> </ul> <p>responded to within 20 working days</p> <p>Continuing to invest in the management of World Heritage areas</p> <p>Governance arrangements with States and Territories are streamlined by the end of 2008</p>

<b>Output Group 1.4: Conservation of natural, indigenous and historic heritage</b>	
Applications under Australian Heritage laws are considered and processed	100% of applications or referrals considered under the EPBC Act, ATSIHP Act and PMCH Act are processed and considered within statutory timeframes
Australia's historic shipwrecks are managed in accordance with funding agreements	100% of funding agreements with NSW, Vic, Qld, WA, SA, Tas, NT and Norfolk Island to implement the Historic Shipwrecks Program are negotiated
Agreement with PNG Government to help protect the Kokoda Track	Agreement reached with PNG by mid-2008 on practical steps to be undertaken to protect the Kokoda Track
Australia's Indigenous Heritage areas are protected	Funding for 30 projects to conserve Indigenous Heritage
Australia's international reputation on heritage is enhanced	Three cooperative projects with countries in Australia's region

### **Output Group 1.5: Response to the impacts of human settlements**

Management of environmental impacts, and setting of environmental standards to provide a cleaner, healthier environment, including through monitoring and regulating the use of environmental pollutants harmful to human and environmental health.

Components of Output Group 1.5

#### **Administered Items**

- Commonwealth Environment Research Facilities (CERF)

The CERF program aims to deliver world-class, public-good environmental research that engages with end-users, promotes collaboration between researchers and provides results accessible to government, industry and the community. It includes the Marine and Tropical Sciences Research Facility (MTRSF).

In 2008–09, the program will continue to focus on the substantial research effort being undertaken by the seven CERF research hubs and 15 fellowships and significant projects, including addressing stakeholder and end-user collaboration and engagement; the communication of initial research; and contract management. In particular, work will continue to improve the interface between research and public policy development. An evaluation framework will be established and a midterm review undertaken to improve program performance.

- Commonwealth contribution to the National Environment Protection Council (NEPC) Service Corporation

The NEPC Service Corporation assists and supports the NEPC and the Environment Protection and Heritage Council (EPHC) to manage national environmental and heritage issues in Australia. All jurisdictions contribute on a per capita basis to the Service Corporation, with the Commonwealth contributing 50 percent of the total.

- Fuel Quality Standards – Monitoring, Compliance and Enforcement

Conduct fuel quality compliance measures to ensure transport fuels, including ethanol blends, supplied in Australia meet legislated quality standards.

- Ozone Protection and Synthetic Greenhouse Gas Account

Supports the Australian Government's obligations under the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*, including effective administration of the Act, management of the Halon Bank and programs to phase out ozone depleting substances and minimise emissions of ozone depleting substances and synthetic greenhouse gas. Funds are derived from the licensing of imports of ozone depleting and synthetic greenhouse gases and the commercial operations of the National Halon Bank.

#### **Departmental Outputs**

- Environmental Assessments

Protecting 'matters of national environmental significance' by assessing the potential environmental impacts of proposed activities that are referred for assessment under the provisions of the EPBC Act.

- Pollution Prevention Strategies

Manages environmental impacts and sets environmental standards to provide a cleaner, healthier environment, including through monitoring and regulating the use of environmental pollutants harmful to human and environmental health.

<b>Output Group 1.5: Response to the impacts of human settlements</b>	
<ul style="list-style-type: none"> <li>Supervision of uranium mines The supervision of uranium mines to help protect the environment of the Alligator Rivers Region, including unique tropical wetlands, from the possible effects of uranium mining.</li> <li>Wildlife protection Administering the wildlife protection provisions of the EPBC Act to protect Australia's native wildlife from overexploitation and from other threats impacting on biodiversity.</li> </ul>	
Key Performance Indicators	2008–09 Target
The extent to which funded projects successfully contribute to furthering Australia's understanding of critical areas of environment research	Undertake a mid-term review to assess program performance and achievements and to establish an evaluation framework for fine-tuning current and future program operations  A communication strategy is implemented to ensure policy-research links are being made
The extent to which the 22 funded CERF research projects/hubs undertake and deliver research as outlined in contracts	All research delivered as outlined in funding agreements
The (i) median and (ii) maximum concentration of uranium measured in surface water downstream of Ranger Mine	That the median and maximum concentration of uranium measured in surface water downstream of Ranger Mine remain below six micrograms per litre
Ambient concentrations of key air pollutants in major urban areas	Effective monitoring of key air pollutants in major urban areas
National Environment Protection Measures (NEPM) for air quality are implemented and reviewed to provide world best-practice in the protection of community health	Review of the Ambient Air NEPM is completed
Number of fuel samples under the Fuel Quality Standards Act 2000	2500 fuel samples taken and analysed
Road transport fuels are covered by a fuel quality standard, and the potential benefits and risks of emerging fuels are assessed	Determination of fuel standards for biodiesel blend and fuel ethanol
Government contributes to the implementation or development of product stewardship policies in agreed national priority	Consultation on proposed national tyres recycling scheme completed and proposed national scheme on tyres is presented to the Environment Protection and Heritage Council  The Government contributes to the mid-term review of the National Packaging Covenant
Volume of waste oil recycled	Detailed performance results appear in annual reports on the operation of the Product Stewardship (Oil) Act 2000

<b>Output Group 1.5: Response to the impacts of human settlements</b>	
Environmental impact of chemicals and genetically modified organisms	Complete all assessments of impacts on time for national regulators
Levels of chemicals of concern in the environment	National monitoring sites established and chemicals of concern sampled and measured
Safe management of international movement of hazardous waste	Meet all statutory requirements and international obligations for regulating imports and exports to ensure sound environmental management
Use and emissions of stratospheric ozone depleting substances and synthetic greenhouse gases	Meet all statutory requirements and international obligations for regulating imports, manufacture, emissions, recycling and destruction so that use and emissions are reduced
Number of actions potentially affecting matters of national environmental significance under the EPBC Act whose adverse environmental impacts have been addressed	95% of assessments completed within the statutory timeframe
Number of audits and post approval inspections of approved actions	18 audits and 18 post approval inspections
Number of plans/policies/programs which are the subject of strategic assessment or engagement	18 activities
Number of species, ecological communities and threatening processes assessed for listing, delisting or change of listing category	50 assessments
Percentage of listed species or ecological communities for which a recovery plan or conservation advice exists or is in preparation	100%

## **2.1.2 Outcome 2: Australia's interests in Antarctica are advanced**

### **Outcome 2 Strategy**

The Australian Antarctic Division (AAD) leads Australia's Antarctic program. It pursues the vision of Antarctica—valued, protected and understood. The Antarctic Outcome (Outcome 2) comprises two outputs, Antarctic Policy and Antarctic Science.

In pursuing Outcome 2, the primary activities to be undertaken are:

- pursuing Australia's Antarctic interests within the Antarctic Treaty system and coordinating a whole-of-government approach to policy development and implementation;
- developing policy proposals and providing advice on Australia's Antarctic interests;
- administering the Australian Antarctic Territory and Territory of Heard Island and McDonald Islands;
- providing a depository and primary source of Australian Antarctic information;
- conducting research in high priority areas of Antarctic science, particularly climate change, ecosystems studies, and sustainability and environmental protection;
- coordinating and managing logistic support for Australia's Antarctic program including permanent stations, marine science, field support, transport, communication and medical services; and
- supporting Antarctic research by other institutions through grants and logistic support.

**Outcome 2 Resource statement**

Table 2.1.2 provides additional detail of Budget appropriations and the total resourcing for outcome 2.

**Table 2.1.2: Total resources for Outcome 2**

<b>Outcome 2: Australia's interests in Antarctica are advanced</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 2.1 - Antarctic Policy</b>			
<b>Administered Items:</b>			
Decisions taken but not yet announced	B1	-	3,000
<b>Departmental Outputs</b>			
Antarctic policy	B1	33,473	33,767
Revenues from other sources (s.31)		3,745 <sup>2</sup>	510
<b>Subtotal for Output Group 2.1</b>		<b>37,218</b>	<b>37,277</b>
<b>Output Group 2.2 - Antarctic Science</b>			
<b>Departmental Outputs</b>			
Antarctic science	B1	71,129	71,755
Revenues from other sources (s.31)		8,072 <sup>2</sup>	1,083
<b>Subtotal for Output Group 2.2</b>		<b>79,201</b>	<b>72,838</b>
<b>Total Resources for Outcome 2</b> (Total revenue from Government and other sources)		<b>116,419</b>	<b>110,115</b>
<b>Average staffing level (number)</b>		2008-09 380	2007-08 380

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

<sup>2</sup> Memorandum of Understanding with the Japanese Government for the resupply of their Antarctic Station

<b>Output Group 2.1: Antarctic policy</b>	
<p>Australia's Antarctic policy interests are based on the region's strategic, scientific, environmental and potential economic importance for Australia. They are to:</p> <ul style="list-style-type: none"> <li>• take advantage of the special opportunities Antarctica offers for scientific research;</li> <li>• preserve our sovereignty over the Australian Antarctic Territory, including our sovereign rights over adjacent offshore areas;</li> <li>• protect the Antarctic environment, having regard to its special qualities and effects on our region;</li> <li>• maintain Antarctica's freedom from strategic and/or political confrontation;</li> <li>• be informed about and able to influence developments in a region geographically proximate to Australia; and</li> <li>• derive any reasonable economic benefits from living and non-living resources of the Antarctic (excluding deriving benefits from mining and oil drilling).</li> </ul> <p>The four goals used to guide Australia's Antarctic programme are to:</p> <ul style="list-style-type: none"> <li>• maintain the Antarctic Treaty System and enhance Australia's influence in the system;</li> <li>• protect the Antarctic environment;</li> <li>• understand the role of Antarctica in the global climate system; and</li> <li>• undertake work of practical, economic and national significance.</li> </ul> <p>Governments have consistently taken the view that the Antarctic Treaty system is the best way of advancing Australia's Antarctic policy interests. The AAD, within DEWHA, as the leader of Australia's Antarctic program, plays a key role in influencing the outcomes of the Antarctic Treaty system through actively participating in its international forums, particularly the Antarctic Treaty Consultative Meetings, the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) and the Committee for Environmental Protection.</p> <p>Key elements of the international agenda are the protection of the Antarctic environment; combating illegal, unregulated and unreported fishing - particularly in the Heard Island and MacDonald Islands Exclusive Economic Zone and in the CCAMLR area; establishing the framework for ecosystem based management of CCAMLR fisheries; the conservation of albatrosses and petrels through reducing the impact of long line fishing; and managing Antarctic tourism.</p> <p>AAD administers the Australian Antarctic Territory and the Territory of Heard Island and McDonald Islands.</p> <p>Components of Output Group 2.1</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Antarctic Policy</li> </ul>	
Key Performance Indicators	2008–09 Target
Australia's policy objectives are met through international forums	<p>Actively participate in the following Antarctic Treaty forums:</p> <ul style="list-style-type: none"> <li>• Antarctic Treaty Consultative meeting</li> </ul>

<b>Output Group 2.1: Antarctic policy</b>	
	<ul style="list-style-type: none"> <li>• Commission for the Conservation of Antarctic Marine Living Resources</li> <li>• Convention for the Conservation of Antarctic Seals</li> <li>• Committee for Environmental Protection</li> <li>• Scientific Committee on Antarctic Research</li> <li>• Council of Managers of National Antarctic Programs</li> <li>• Standing Committee on Antarctic Logistics and Operations</li> <li>• Agreement on the Conservation of Albatrosses and Petrels</li> </ul>
Effective environmental protection measures are in place and are utilised	<p>That environmental protection measures are in place, utilised and performance managed via the Australian Antarctic Division</p> <p>Environmental Management System performance will be monitored via:</p> <ul style="list-style-type: none"> <li>• the number, type and scale of environmental incidents reported</li> <li>• the number of reported incidents that remain unresolved after three months</li> </ul>
Effective administration of the Australian Antarctic Territory and the Territory of Heard Island and MacDonal Islands	<p>Territories under Australian jurisdiction are administered in accordance with relevant legislation and guidelines (including management plans where appropriate)</p> <p>Maintenance of an effective communications strategy, which provides Australians with a connection with Antarctica, via:</p> <ul style="list-style-type: none"> <li>• the continued provision and maintenance of one of the world's leading online sources of Antarctic information</li> <li>• the active promotion of Australia's activities in Antarctica and the Southern Ocean</li> <li>• the provision of the Australian Antarctic Arts Fellowships to allow Australian artists to travel to and experience Antarctica</li> <li>• the publication of the Australian Antarctic Magazine on a biennial basis</li> </ul>
Effective administration of sites of recognised heritage significance	<p>Sites are effectively administered as demonstrated through achievements against the DEWHA Heritage Strategy</p>

<b>Output Group 2.2: Antarctic science</b>	
<p>A core component of advancing Australia's Antarctic interests is the conduct of priority scientific research in Antarctica and the Southern Ocean. This research contributes to Australia's knowledge of global climate through the study of ice, oceans and atmosphere and by contributing to world climate research, including studies relating to meteorology; Southern Ocean ecosystem studies; research on adaptations to environmental change; and research on the impact of human activities in Antarctica. AAD undertakes research and supports other institutions to undertake scientific research of practical, economic and national significance. The AAD provides data and support for Australian and international clients and conducts research in physical, biological and human sciences.</p> <p>Components of Output Group 2.2</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Antarctic science</li> </ul>	
Key Performance Indicators	2008–09 Target
Successful completion of elements of the Antarctic Science Strategy 2004–05 to 2008–09	<p>Demonstrated by:</p> <ul style="list-style-type: none"> <li>• the number of projects undertaken as part of the Australian Antarctic program (110 during 2008–09)</li> <li>• the number of domestic and international institutions involved in the Australian Antarctic program (150 during 2008–09)</li> </ul>
That scientific research of practical, economic and national significance is undertaken	<p>Demonstrated by:</p> <ul style="list-style-type: none"> <li>• the total number of papers produced in the previous calendar year including peer reviewed papers and conference papers (300 during 2008)</li> <li>• the number of scientists active in Antarctic and Southern Ocean science (100 during 2008–09)</li> <li>• the provision of collaborative data services to the global Antarctic science community via the activities of the Australian Antarctic Data Centre</li> </ul>
Extent to which science outcomes lead to achievement of Antarctic policy goals	The provision of high quality scientific advice as required to support and underpin Australia's Antarctic policy goals at international forums

### **2.1.3 Outcome 3: More efficient and sustainable use of Australia's water resources**

#### **Outcome 3 Strategy**

In 2008–09 DEWHA will implement the Government's policy commitments for water. This includes the delivery of water reform programs under the new 10-year water policy framework, 'Water for the Future'.

'Water for the Future' comprises national water policy and program arrangements directed at urban, regional and rural settings. High level objectives are: taking action to adapt to climate change, using water wisely, securing water supplies, and improving environmental outcomes.

Key 2008–09 priorities include:

- taking actions to address the urgent plight of the Murray-Darling Basin through water efficiency infrastructure investments, and increased water purchasing for the environment;
- implementation of new programs including the Water for the Future - National Urban Water and Desalination Plan, the Water for the Future - National Water Security Plan for Cities and Towns, and the Water for the Future - National Rainwater and Greywater Initiative; and
- accelerating key water policy reforms as part of the Council of Australian Governments (COAG) agenda.

The current funding for water programs extends to 2016–17. This funding and the associated policy reform being pursued as part of the COAG agenda will form the basis of current, medium, and longer term strategies.

#### **Outcome 3 Resource statement**

Table 2.1.3 provides additional detail of Budget appropriations and the total resourcing for outcome 3.

**Table 2.1.3: Total resources for Outcome 3**

<b>Outcome 3: More efficient and sustainable use of Australia's water resources</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 3.1 - Sustainable management of water resources</b>		
<b>Administered Items:</b>		
Appropriation Bill 1	B1	
Water for the Future - Restoring the Balance in the Basin	160,145	85,578
Great Artesian Basin	147,351	56,000
Murray-Darling Basin Commission	295	290
Murray Environmental Flows	4,999	13,517
Water for the Future - Living Murray Initiative	7,500	7,500
	-	8,271
Appropriation Bill 2	B2	
Great Artesian Basin	57,014	68,914
Water for the Future - Living Murray Initiative	8,299	8,148
	48,715	60,766
<b>Departmental Outputs</b>		
Sustainable management of water resources	B1	
Revenues from other sources (s.31)	44,352	17,617
	3,060	290
<b>Subtotal for Output Group 3.1</b>	<b>264,571</b>	<b>172,399</b>
<b>Output Group 3.2 - Achieving efficiencies in water use</b>		
<b>Administered Items:</b>		
Appropriation Bill 1	B1	
Community Water Grants	516,250	302,240
Water for the Future - Sustainable Rural Water Use and Infrastructure	12,897	168,814
Water Resources Assessment	154,487	122,001
Water for the Future - Water Smart Australia	175	175
Tackling Climate Change - Green Precincts	276,491	-
Tasmanian Water Infrastructure	2,000	-
Water for the Future - National Rainwater and Greywater Initiative	-	1,100
Water for the Future - National Urban Water and Desalination Plan	19,000	-
Water Efficiency Labelling and Standards Scheme <sup>1</sup>	14,000	-
Water for the Future - National Water Security Plan for Cities and Towns	2,200	150
	35,000	10,000
<b>Special Accounts</b>		
Water Efficiency Labelling and Standards Special Account		
Opening balance	1,913	1,387
Appropriation receipts	-	-
Non-Appropriation receipts to Special Accounts	363	676
<b>Departmental Outputs</b>		
Achieving efficiencies in water use	31,553	22,890
Revenues from other sources (s.31)	6,227	2,704
<b>Subtotal for Output Group 3.2</b>	<b>556,306</b>	<b>329,897</b>
<b>Total resources for Outcome 3</b>	<b>820,877</b>	<b>502,296</b>
	2008-09	2007-08
<b>Average staffing level (number)</b>	226.3	224.8

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

(B2) - Annual Appropriation Bill 2 (Other Services)

<sup>1</sup> Appropriation item reciepted into Water Efficiency Labelling and Standards Special Account

<b>Output Group 3.1: Sustainable management of water resources</b>							
<p>Working with governments, industry and community stakeholders to address environmental issues associated with water resource management, such as:</p> <ul style="list-style-type: none"> <li>• sustainable water allocations;</li> <li>• water recovery for environmental flows;</li> <li>• protection of high conservation value aquatic assets/systems;</li> <li>• water quality;</li> <li>• removing barriers to trade (implementation of the National Water Initiative); and</li> <li>• development and implementation of the new Murray-Darling Basin Cap.</li> </ul> <p>Components of Output Group 3.1</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"> <li>• <b>Water for the Future - Restoring the Balance in the Basin</b> Invests to address over allocation in the Murray-Darling Basin by purchasing water entitlements from willing sellers. The entitlements will be managed by the Commonwealth Environmental Water Holder.</li> <li>• <b>Water for the Future - Living Murray Initiative</b> The Living Murray Initiative was established to help improve the health of the Murray River. This program is funded by the New South Wales, Victorian, South Australian, Australian Capital Territory and Commonwealth Governments, and focuses on achieving environmental benefits for key high conservation value aquatic sites along the Murray River.</li> <li>• <b>Great Artesian Basin</b> Invests funding to the Great Artesian Basin Sustainability Initiative, caps and pipes uncontrolled bores in the Basin.</li> <li>• <b>Murray Darling Basin Commission</b> Commonwealth ongoing contributions to Murray Darling Basin Commission (MDBC) activities (to be undertaken by the Murray Darling Basin Authority (MDBA) from its establishment in 2008).</li> <li>• <b>Water for Rivers (Murray Environmental Flows)</b> Water for Rivers is a joint enterprise established by the Commonwealth, Victorian and New South Wales governments to recover water for environmental release into the Murray and Snowy rivers.</li> <li>• <b>Water Resources Assessment and Research Grants</b> Promotes the sustainable use and management of water resources in particular sustainable irrigation practices.</li> </ul> <p><b>Departmental Outputs</b></p> <p>Sustainable management of water resources</p> <table border="1"> <thead> <tr> <th>Key Performance Indicators</th> <th>2008–09 Target</th> </tr> </thead> <tbody> <tr> <td>Restoring the Balance in the Basin – volume of entitlements purchased</td> <td>Continuation of the water entitlement purchase program in the Murray-Darling Basin</td> </tr> <tr> <td>Reform for the Murray-Darling Basin</td> <td>Bring together the MDBA and the MDBC as a new, single Authority, the MDBA</td> </tr> </tbody> </table>		Key Performance Indicators	2008–09 Target	Restoring the Balance in the Basin – volume of entitlements purchased	Continuation of the water entitlement purchase program in the Murray-Darling Basin	Reform for the Murray-Darling Basin	Bring together the MDBA and the MDBC as a new, single Authority, the MDBA
Key Performance Indicators	2008–09 Target						
Restoring the Balance in the Basin – volume of entitlements purchased	Continuation of the water entitlement purchase program in the Murray-Darling Basin						
Reform for the Murray-Darling Basin	Bring together the MDBA and the MDBC as a new, single Authority, the MDBA						

<b>Output Group 3.1: Sustainable management of water resources</b>	
	<p>Progress appointment of MDBA members</p> <p>Develop and implement transition arrangements to ensure ongoing management of Murray-Darling Basin issues</p> <p>Completion of CSIRO Sustainable Yields project by end first quarter 2008–09, for catchments and aquifers in the Murray-Darling Basin</p> <p>Contribute to the development of a new Basin Plan that will incorporate a new sustainable cap on diversions, for surface and groundwater use</p> <p>Support the Senior Officers Group on Drought Contingency Planning</p>
Effective environmental water use	Effective delivery of water managed by the Commonwealth Environmental Water Holder to environmental priorities
Improved management of protected wetlands	All Ramsar-listed wetlands have management plans in operation
Improved water quality	Number of water quality improvement plans and associated interim projects completed or under development
National water policy reform	Develop a forward work program on water reform for COAG, to report in October 2008, including a revised implementation timetable for the National Water Initiative
Assessment of Northern Australia land and water resources	Extend the CSIRO Sustainable Yields study to the key surface and groundwater systems and basins within the Timor Sea and Gulf of Carpentaria drainage divisions, and that part of the North East Coast drainage division, north of Cairns
Implementation of the Great Artesian Basin bore capping program (third stage)	<p>Improved engagement of groundwater resources in the Basin</p> <p>Establishment of Great Artesian Basin monitoring Network</p>
Implementation of the Living Murray Initiative	Progress towards Murray River Icon Site ecological objectives endorsed by Ministers
Contribution to Water for Rivers (Joint Government Enterprise)	Increased environmental flows in the Murray and Snowy Rivers
Water Resource Assessment and Research Grants	The extent to which water resources assessment and research grants promote the sustainable use and management of water resources

<b>Output Group 3.2: Achieving efficiencies in water use</b>	
<p>Working with governments, industry and community stakeholders to increase the efficiency with which water resources are allocated and used.</p> <p>Components of Output Group 3.2</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"> <li>• Water for the Future - Sustainable Rural Water Use and Infrastructure                             <p>This program provides for infrastructure investments that capture and return water losses and reduce system evaporation losses. It includes priority projects nominated by Basin States, and Commonwealth Basin State Water Management Partnerships.</p> </li> <li>• Water for the Future - National Water Security Plan for Cities and Towns - establishment                             <p>Investment to help secure the water supplies of Australia's cities and towns (population less than 50,000) by supporting practical projects that save water, including investment in modern and more efficient water infrastructure and refurbishment of older pipes and water systems.</p> </li> <li>• Green Precincts                             <p>The Green Precincts fund will support high-profile demonstration projects that deliver water and energy savings while educating the community about water and energy efficiency.</p> </li> <li>• Water for the Future - National Urban Water and Desalination Plan                             <p>This program provides grants and tax offsets to help secure the water supplies of Australia's major cities and large regional centres with populations of 50,000 people or more. The principal activities to be supported are large desalination, water recycling and stormwater harvesting projects.</p> </li> <li>• Water for the Future - National Rainwater and Greywater Initiative                             <p>Investments to assist households and surf lifesaving clubs install rainwater tanks and greywater systems.</p> </li> <li>• Water for the Future - Water Smart Australia                             <p>Investments to accelerate development and uptake of smart technologies and practices in water use across Australia.</p> </li> <li>• Water Efficiency Labelling and Standards Scheme (WELS)                             <p>Registration of water efficiency of consumer products and the provision of information about water efficiency to consumers.</p> </li> </ul> <p><b>Departmental Outputs</b></p> <p>Achieving efficiencies in water use</p>	
Key Performance Indicators	2008–09 Target
Achieving efficiency measures in rural water use	State priority projects due diligence assessments commenced Commonwealth – Basin State Partnership Agreements completed Water loss hotspot assessments completed

<b>Output Group 3.2: Achieving efficiencies in water use</b>	
Improved water security and efficiency in Australian cities and towns	<p>Specific project commitments are assessed, and commenced</p> <p>Projects deliver water efficiencies and water savings</p> <p>Projects increase the percentage of water recycled</p> <p>Green Precincts projects demonstrate water and energy savings measures</p>
Improved water security and efficiency in Australia's major cities	<p>Specific project commitments commenced including substantial progress to establish Centres of Excellence in water desalination and water recycling</p> <p>Improved security of water supplies to major cities by diversification of water sources through desalination, recycling and major stormwater harvesting projects</p> <p>Technological advances in desalination and recycling achieved through Centres of Excellence</p>
Installation of rainwater and grey water systems	Projects deliver water savings and improved water security
Uptake of smart technologies and practices	<p>Ongoing program and component project management roles and responsibilities fulfilled</p> <p>Projects help to advance the National Water Initiative</p> <p>Projects deliver water savings or new sources of supply</p>
Removing barriers to water trading	Easier ability to trade in water entitlements
Promote appliance efficiency standards and labels	<p>Supporting legislative frameworks are in place</p> <p>Number of product registrations under the WELS Scheme</p> <p>Increased industry and consumer awareness of the WELS Scheme</p>

## **2.1.4 Outcome 4: Development of a rich and stimulating cultural sector for all Australians**

### **Outcome 4 Strategy**

Achievement of this outcome will be through:

- implementing the Government's election commitments to enhance the development of a vibrant and sustainable cultural sector, in collaboration with state and territory governments;
- developing policy and advice to the Minister on cultural issues relevant to promoting excellence, access, participation and sustainability in the cultural sector;
- administration of a range of programs to:
  - provide increased opportunities for Australians, regardless of where they live or how much they earn, to learn, enjoy and participate in a wide range of cultural endeavours;
  - support activities which develop the Indigenous arts and crafts industry, maintain and preserve Indigenous culture and languages and encourage community participation in the process of cultural transmission;
  - support the provision of Indigenous television and community radio services in urban, regional and remote areas;
  - promote Australian literature, including through the management of the Prime Minister's Literary Award, and providing recompense for the loss of income to Australian creators and publishers whose books are held in public and educational libraries;
  - encourage and facilitate sponsorship and philanthropic support for the cultural sector;
  - assist a range of national arts training organisations to select and train talented people for careers in the performing arts;
  - provide incentives to encourage greater private sector investment in the Australian film industry and attract large budget film and television productions and post digital and visual effects production projects to locate in Australia;
  - encourage and support the development of competitive and highly skilled Australian film, television and creative industries which provide enhanced opportunities for Australian industry practitioners; and

- increase online availability and access to Australian cultural resources;
- supporting cultural agencies in the arts, cultural collections and film sectors by assisting them to achieve the Government’s objectives and to meet their governance and accountability responsibilities;
- supporting cultural agencies to ensure their collections are preserved, protected and accessible to all Australians;
- administration of Artbank, which purchases the work of emerging artists and rents the works to the private and public sector, helping create a market for emerging artists and enhancing access to Australian art; and
- management and interpretation of Old Parliament House (OPH) as a heritage site of national significance, and development of the OPH National Portrait Gallery (NPG) collections. There will be a particular emphasis on the development and implementation of OPH’s *Australian Prime Minister’s Centre* and *Gallery of Australian Democracy* initiatives, and the enhanced exhibition and activities program and administrative structure for the NPG’s new purpose-built building scheduled to open in December 2008.

**Outcome 4 Resource statement**

Table 2.1.4 provides additional detail of Budget appropriations and the total resourcing for outcome 4.

**Table 2.1.4: Total resources for Outcome 4**

<b>Outcome 4: Development of a rich and stimulating cultural sector for all Australians</b>		2008-09	2007-08
		Total estimate of available resources \$'000	Estimated actual \$'000
<b>Output Group 4.1: Policy advice, program management and agency support</b>			
<b>Administered Items:</b>			
Appropriation Bill 1	B1	<u>208,219</u>	<u>107,444</u>
Cultural Development Programme		62,498	27,769
Indigenous Arts and Culture		24,001	13,772
Depreciation		5,323	2,491
Film Finance Corporation <sup>1</sup>		-	22,800
Screen Australia <sup>2</sup>		60,500	-
Art Indemnity		3,834	3,314
Indigenous Broadcasting		14,244	7,653
Connect Australia		15,881	8,982
Public Lending Right		9,029	7,994
Educational Lending Right		10,709	10,469
A creative Australia - Prime Minister's Literary Award - establishment		200	200
Books Alive		2,000	2,000
Appropriation Bill 2	B2	2,210	8,000
Non-Operating Assets and Liabilities			
<b>Departmental Outputs</b>			
Policy advice, program management and agency support		64,023	38,480
Revenues from other sources (s.31)		10,249	2,083
<b>Special Accounts</b>			
National Portrait Gallery Special Account			
Opening balance		9,340	-
Appropriation receipts		151	75
Non-Appropriation receipts to Special Accounts		6,452	10,310
Art Rental Special Account			
Opening balance		2,237	-
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		3,210	3,078
Cultural Ministers Council Special Account			
Opening balance		478	-
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		464	814
National Collections Special Account			
Opening balance		155	-
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		818	788
Return of Indigenous Cultural Special Account			
Opening balance		409	-
Appropriation receipts		908	-
Non-Appropriation receipts to Special Accounts		-	1,136
<b>Subtotal for Output Group 4.1</b>		<u>275,511</u>	<u>153,999</u>
<b>Total resources for Outcome 4</b>		<u>275,511</u>	<u>153,999</u>
		2008-09	2007-08
<b>Average staffing level (number)</b>		343.6	343.6

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

(B2) - Annual Appropriation Bill 2 (Other Services)

<sup>1</sup> Film Finance Corporation will be incorporated into Screen Australia from 1 July 2008

<sup>2</sup> Funding previously paid to the Film Finance Corporation will be paid to Screen Australia from 1 July 2008

**Output Group 4.1: Policy advice, program management and agency support which promotes excellence in, preservation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and Indigenous languages**

DEWHA:

- provides strategic policy advice on the arts, cultural collections, film, creative industries and online resources, Indigenous languages, cultures, broadcasting and arts, and support for the cultural agencies in the arts, cultural collections and film sectors, particularly in meeting governance and accountability requirements;
- delivers the Cultural Development Program, the Art Indemnity Australia Program, the Public Lending Right and Educational Lending Right programs, the film and philanthropy tax incentives programs, programs maintaining access to, use of, and encouraging the development of Indigenous languages, broadcasting, culture, arts and crafts, and programs encouraging the growth of the Australian film, television and creative industries;
- administers Artbank;
- manages and interprets Old Parliament House (OPH) as a heritage site of national significance, and manages and develops the OPH and the National Portrait Gallery (NPG) collections;
- provides OPH and NPG education and public programs, exhibitions, tours, seminars, lectures and special events, including outreach activities to enhance access to Australia's political and social history and portrait heritage;
- conserves and maintains the OPH building, including a program of capital works;
- markets, promotes and develops OPH and NPG products and merchandise; and
- works with contractors to ensure the provision of quality shop, catering, conference and convention facilities to the public at OPH.

Components of Output Group 4.1

**Administered Items**

- Cultural Development Program

DEWHA administers a range of programs which support cultural excellence, develop and provide access to cultural activities, promote Australia's moveable heritage, and support Australian film production.

- Art Indemnity Australia

The Art Indemnity Australia Program (AIA) program provides wide access for Australians to significant international and Australian touring exhibitions. Under the program, the Australian Government carries the financial risk in case of any loss or damage to an indemnified object and insures against the risk under a policy with Comcover.

- Indigenous Arts and Culture

DEWHA administers a range of programs which assist in the maintenance and continued development of Aboriginal and Torres Strait Islander cultures at the community level, help revive and maintain Australian Indigenous languages and provide support to the Indigenous arts and crafts industry through Indigenous art centres, arts support and advocacy organisations.

<b>Output Group 4.1: Policy advice, program management and agency support which promotes excellence in, preservation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and Indigenous languages</b>	
<ul style="list-style-type: none"> <li>• Indigenous Broadcasting DEWHA administers programs to support Indigenous community radio services in remote, regional and urban areas, including replacement of ageing equipment in remote areas. Funding also supports the Imparja commercial Indigenous television service and the establishment of a National Indigenous Television (NITV) service.</li> <li>• Public Lending Right (PLR) and Educational Lending Right (ELR) PLR and ELR make payments to eligible Australian creators and publishers in recognition that income is lost from the free multiple use of their books in public and educational lending libraries. They support the enrichment of Australian culture by encouraging the development of Australian writing and publishing.</li> <li>• Books Alive The Books Alive program promotes books and reading to the general public, children and young people, including books by Australian writers. It is a month-long national marketing campaign which runs in July/August each year.</li> <li>• A creative Australia - Prime Minister's Literary Award - establishment The Prime Minister's Literary Awards provides an annual cash prize of \$100,000 tax free in each of two categories: published fiction and non-fiction book. This award recognises the contribution of writers to Australian society.</li> </ul> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Policy advice, program management and agency support which provides excellence in, presentation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and Indigenous languages.</li> <li>• Conservation, development of and access to OPH and NPG and their respective collections, programs, exhibitions and other activities.</li> </ul>	
Key Performance Indicators	2008–09 Target
Promotion and access to Regional Cultural Activities including touring programs (Visions of Australia, Playing Australia, Contemporary Music Touring Program), and cultural development programs (Festivals Australia and Regional Arts Fund) as measured by number and type of funded performances/exhibitions/events reported by state/territory and metropolitan/regional/remote categories	Access to high quality cultural experiences, particularly in regional and remote areas, is maintained or increased
Encouraging the development of Australian writing and publishing as measured by the number of payments to creators and publishers for Public Educational Lending Right programs	Access to Australian books in public and educational libraries is maintained or increased
Recognise the contribution of Australian writers to Australian society through the Prime Minister's Literary Awards as measured by	The profile of Australian writing in the Australian community is raised with an increase in the level of sales of shortlisted

<b>Output Group 4.1: Policy advice, program management and agency support which promotes excellence in, preservation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and Indigenous languages</b>	
satisfaction of stakeholders with awards process and related events, and sales of shortlisted and winning titles	and winning titles
Efficient and timely administration of funding agreements and reporting arrangements for Arts related Commonwealth and Public Companies	Funded companies meet their objectives and reporting requirements
Australians have wide access to exhibitions of significant Australian and international cultural material as measured by number, value, geographic spread and attendance figures for indemnified exhibitions supported by Art Indemnity Australia	The Art Indemnity Australia program achieves an equitable geographic spread of exhibitions over time
The value and uniqueness of Australia's Indigenous cultures is recognised and supported by Indigenous Broadcasting, Culture, Languages and Arts programs, as measured by the number and type of activities supported and impact of support	Diversity of Indigenous arts and cultural projects supported is maintained or increased  Access for Indigenous people to Indigenous broadcasting services is maintained or increased
Arts Training Organisations have a reputation of providing quality training to equip Australians for a range of roles including performance, design and production, as measured by the level of demand for training	The level of demand for training by Arts Training Organisations is maintained
Conservation, development of and access to the OPH and NPG and their respective collections, programs, exhibitions and other activities	Growth and conservation of NPG collection and/or notable major acquisitions  Notable/major acquisitions, and conservation of, the OPH collection  Qualitative evaluation, citing adherence to relevant legislative requirements (including the <i>Environment Protection and Biodiversity Conservation Act 1999</i> ) and approved organisational plans and policies  Percentage change and number of visitors, as measured by paying visitors and key sub-sectors (eg school visitors), attendance at exhibitions, events and public programs, patronage of facilities (eg café, restaurant, functions), and use of OPH/NPG online programs  Assessment of activities and performance relative to comparable organisations and industry sector, and trends over time

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	627,748
Less estimated payments in 2008-09	(616,279)
<b>Estimated departmental outputs carried forward and available for 2009-10</b>	<b>11,469</b>

#### 3.1.2 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period are subject to review by the Minister for Finance and Deregulation, and may be moved to a future period, in accordance with provisions in legislation. Table 3.1.2 shows the movement of administered funds approved since the 2007–08 Additional Estimates and Supplementary Additional Estimates.

**Table 3.1.2: Movement of administered funds between years**

Movements of funding between years	Outcome	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000
Greenhouse Gas Abatement Programme (GGAP)	1	(1,842)	1,842	-	-
Solar Cities	1	(8,129)	8,129	-	-
Tackling Climate Change - National Solar Schools Plan	1	(41,800)	(74,500)	55,900	60,400
Community Water Grants	1	(12,897)	12,897	-	-
A Sustainable Future for Tasmania - Private Land	1	(16,772)	11,000	5,772	-
A Sustainable Future for Tasmania - Tourism	1	(289)	289	-	-
A Sustainable Future for Tasmania - Mole Creek	1	(150)	150	-	-
Commonwealth Environment Research Facilities	1	(1,517)	1,305	212	-
Water for the Future - Living Murray Initiative	3	(27,086)	-	27,086	-
Cultural Development Program - National Aboriginal and Islander Skills Development Association (NAISDA)	4	(5,029)	5,029	-	-
Public Lending Right	4	(300)	300	-	-
Cultural Development Program - Australian Ballet School	4	(2,900)	2,900	-	-
<b>Total</b>		<b>(118,711)</b>	<b>(30,659)</b>	<b>88,970</b>	<b>60,400</b>

*Greenhouse Gas Abatement Program (GGAP)* – delays in negotiating and concluding Deeds of Agreement with project proponents, as well as delays in meeting milestones for existing projects, have resulted in planned activities in 2007–08 being postponed to 2008–09.

*Solar Cities* – delays in milestone payments for 2007–08 have been experienced due to grantees finalising their governance and formal consortia agreements.

*Tackling Climate Change – National Solar Schools Plan* – planned activities in 2007–08 under this program have been postponed due to a delay in the start-up of the program.

*Community Water Grants* – payments for existing contractual arrangements under rounds 2 and 3 of the program are required to be made in 2008–09.

*A Sustainable Future for Tasmania – Private Land* – delays arising from the 2006 Tasmanian election and 2007 Federal election have resulted in final payments for the first round of assessments not being completed in 2007–08.

*A Sustainable Future for Tasmania – Tourism* – there have been delays in projects attaining milestones and, as project payments for this program are made on a reimbursement basis, this movement of funds is required to cover final payments due under contracts once work is completed.

*A Sustainable Future for Tasmania – Mole Creek* – a movement of funds is required to cover final payments due under contracts upon completion of work.

*Commonwealth Environment Research Facilities (CERF)* – delays have been experienced for two project areas with delivery of milestones postponed to future years.

*Water for the Future – Living Murray Initiative* – a movement of funds under this program is required to cover investments in new projects being proposed by NSW, Victoria and South Australia.

*Cultural Development Program – National Aboriginal and Islander Skills Development Association (NAISDA)* – tender processes to support the development of dance training, academic and performance facilities for the NAISDA at Mt Penang, Gosford, have been delayed and as a result, expenditure will now occur in 2008–09.

*Public Lending Right* – delays have been experienced in the major redevelopment of the Public Lending Right operating system which supports the administration and online services of the Scheme.

*Cultural Development Program – Australian Ballet School* – delays have been experienced in the completion of the planning work, which has consequently delayed the refurbishment of the Australian Ballet School.

### **3.1.3 Special Accounts**

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of the Environment, Water, Heritage and the Arts.

**Table 3.1.3: Estimates of Special Account cash flows and balances**

	Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08	
Outcome	\$'000	\$'000	\$'000	\$'000	\$'000	
(A) National Cultural Heritage Account - s21 FMA Act (Protection of Movable Cultural Heritage Act 1986)	1	<b>21</b>	-	-	<b>479</b>	<b>500</b>
		150	350	479	-	21
(A) Natural Heritage Trust of Australia Account - s21 FMA Act (Natural Heritage Trust of Australia Act 1997)	1	<b>446,627</b>	<b>396,288</b>	<b>395,000</b>	-	<b>447,915</b>
		421,421	351,506	342,500	-	430,427
(A) Ozone Protection and Synthetic Greenhouse Gas Account - s21 FMA Act (Ozone Protection and Synthetic Greenhouse Gas Management Act 1989)	1	<b>18,273</b>	<b>2,075</b>	<b>4,127</b>	-	<b>16,221</b>
		15,008	5,365	2,100	-	18,273
(A) Water Efficiency Labelling and Standards Account - s21 FMA Act (Water Efficiency Labelling and Standards Act 2004)	3	<b>1,913</b>	<b>363</b>	<b>2,200</b>	-	<b>76</b>
		1,387	676	150	-	1,913
(D) Art Rental Special Account - - s20 FMA Act Det 2006/18	4	<b>2,237</b>	<b>3,210</b>	<b>3,308</b>	-	<b>2,139</b>
		-	3,078	841	-	2,237
(D) Cultural Ministers' Council Special Account - - s20 FMA Act Det 2005/43	4	<b>478</b>	<b>464</b>	<b>464</b>	-	<b>478</b>
		-	814	336	-	478
(D) National Collections Special Account - - s20 FMA Act Det 2005/44	4	<b>155</b>	<b>818</b>	<b>696</b>	-	<b>277</b>
		-	788	633	-	155
(D) National Portrait Gallery Special Account - - s20 FMA Act Det 2005/42	4	<b>9,340</b>	<b>6,603</b>	<b>607</b>	-	<b>15,336</b>
		-	10,385	1,045	-	9,340
(D) Return of Indigenous Cultural Property Special Account - - s20 FMA Act Det 2005/45	4	<b>409</b>	<b>908</b>	<b>908</b>	-	<b>409</b>
		-	1,136	727	-	409

**Table 3.1.3: Estimates of Special Account cash flows and balances (continued)**

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
(D) Other Trust Moneys Account - DEWHA - s20 FMA Act Det 1997/01	1	<b>1,289</b>	-	-	-	<b>1,289</b>
		1,289	-	-	-	1,289
(D) Services for Other Governments and Non-Agency Bodies - s20 FMA Act Det 1997/01	1	<b>3,213</b>	-	-	-	<b>3,213</b>
		3,213	-	-	-	3,213
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		<b>483,955</b>	<b>410,729</b>	<b>407,310</b>	<b>479</b>	<b>487,853</b>
Total special accounts 2007-08 estimate actual		442,468	374,098	348,811	-	467,755

(A) = Administered  
(D) = Departmental

### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Outcome 1 - The environment, especially those aspects that are matters of national significance, is protected and conserved</b>						
Administered 2008-09	11,441	-	-	11,441	-	11,441	1.2 & 1.4
<i>Administered 2007-08</i>	<i>14,822</i>	-	-	<i>14,822</i>	-	<i>14,822</i>	<i>1.2 &amp; 1.4</i>
Departmental 2008-09	3,563	-	-	3,563	-	3,563	1.4
<i>Departmental 2007-08</i>	<i>5,100</i>	-	-	<i>5,100</i>	-	<i>5,100</i>	<i>1.4</i>
Total Outcome 2008-09	15,004	-	-	15,004	-	15,004	
<i>Total Outcome 2007-08</i>	<i>19,922</i>	-	-	<i>19,922</i>	-	<i>19,922</i>	
<b>Outcome 4 - Development of a rich and stimulating cultural sector for all Australians</b>							
Administered 2008-09	317	-	-	317	-	317	4.1
<i>Administered 2007-08</i>	<i>1,310</i>	-	-	<i>1,310</i>	-	<i>1,310</i>	<i>4.1</i>
Departmental 2008-09	-	-	-	-	-	-	
<i>Departmental 2007-08</i>	-	-	-	-	-	-	
Total Outcome 2008-09	317	-	-	317	-	317	
<i>Total Outcome 2007-08</i>	<i>1,310</i>	-	-	<i>1,310</i>	-	<i>1,310</i>	
Total Administered 2008-09	11,758	-	-	11,758	-	11,758	
<i>Total Administered 2007-08</i>	<i>16,132</i>	-	-	<i>16,132</i>	-	<i>16,132</i>	
Total Departmental 2008-09	3,563	-	-	3,563	-	3,563	
<i>Total Departmental 2007-08</i>	<i>5,100</i>	-	-	<i>5,100</i>	-	<i>5,100</i>	
<b>Total AGIE 2008-09</b>	<b>15,321</b>	-	-	<b>15,321</b>	-	<b>15,321</b>	
<i>Total AGIE 2007-08</i>	<i>21,232</i>	-	-	<i>21,232</i>	-	<i>21,232</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

The increase in revenues are primarily related to new measures and other variations as outlined in Tables 1.2 and 3.1.2.

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

Balance sheet movements are a result of Machinery of Government changes.

#### **Schedule of Budgeted Revenues and Expenses Administered on behalf of Government**

Changes in Administered Revenues and Expenses are primarily related to new measures and other variations as outlined in Tables 1.2 and 3.1.2. Balance sheet movements are a result of Machinery of Government changes.

#### **Schedule of Budgeted Assets and Liabilities Administered on behalf of Government**

Balance sheet movements are a result of Machinery of Government changes.

#### **Schedule of Budgeted Administered Cash Flows**

There are no material movements of budgeted administered cash flows.

### 3.2.2 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	470,478	469,866	488,240	483,726	489,649
Goods and services	69,839	85,419	30,914	29,766	30,190
Other	7,575	7,001	7,381	4,501	3,701
<b>Total revenue</b>	<b>547,892</b>	<b>562,286</b>	<b>526,535</b>	<b>517,993</b>	<b>523,540</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>547,892</b>	<b>562,286</b>	<b>526,535</b>	<b>517,993</b>	<b>523,540</b>
<b>EXPENSE</b>					
Employees	204,358	203,083	194,838	201,070	192,043
Suppliers	259,033	251,408	212,405	193,851	208,454
Grants	60,055	80,249	95,143	97,680	98,318
Depreciation and amortisation	35,270	36,281	33,190	33,152	32,485
Write-down of assets and impairment of assets	71	68	68	68	68
Losses from sale of assets	39	-	-	-	-
Other	12,699	14,502	15,550	16,831	16,831
<b>Total expenses</b>	<b>571,525</b>	<b>585,591</b>	<b>551,194</b>	<b>542,652</b>	<b>548,199</b>
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(23,633)</b>	<b>(23,305)</b>	<b>(24,659)</b>	<b>(24,659)</b>	<b>(24,659)</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	10,929	12,111	11,469	28,717	25,436
Trade and other Receivables	89,071	113,750	142,673	135,020	167,380
Other	2,441	5,368	9,234	13,100	13,100
<b>Total financial assets</b>	<b>102,441</b>	<b>131,229</b>	<b>163,376</b>	<b>176,837</b>	<b>205,916</b>
<b>Non-financial assets</b>					
Land and buildings	246,185	229,030	207,703	173,320	157,254
Infrastructure, plant and equipment	110,900	109,473	113,318	125,394	111,189
Inventories	7,431	7,427	7,188	6,949	6,949
Intangibles	14,840	9,984	6,696	2,532	1,450
Biological assets	45,941	45,919	45,897	45,876	45,855
Other	880	880	880	880	880
<b>Total non-financial assets</b>	<b>426,177</b>	<b>402,713</b>	<b>381,682</b>	<b>354,951</b>	<b>323,577</b>
Assets held for sale					
<b>Total assets</b>	<b>528,618</b>	<b>533,942</b>	<b>545,058</b>	<b>531,788</b>	<b>529,493</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	41,147	35,022	33,549	33,849	33,849
Other	226,932	262,187	302,704	317,462	317,462
<b>Total provisions</b>	<b>268,079</b>	<b>297,209</b>	<b>336,253</b>	<b>351,311</b>	<b>351,311</b>
<b>Payables</b>					
Grants	1,695	1,756	1,670	1,736	1,736
Other	10,573	7,646	4,093	40	40
<b>Total payables</b>	<b>12,268</b>	<b>9,402</b>	<b>5,763</b>	<b>1,776</b>	<b>1,776</b>
<b>Total liabilities</b>	<b>280,347</b>	<b>306,611</b>	<b>342,016</b>	<b>353,087</b>	<b>353,087</b>
<b>Net assets</b>	<b>248,271</b>	<b>227,331</b>	<b>203,042</b>	<b>178,701</b>	<b>176,406</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	14,466	14,466	14,466	14,466	14,466
Reserves	262,861	262,861	262,861	262,861	262,861
Retained surpluses or accumulated deficits	48,352 (77,408)	49,554 (99,550)	49,924 (124,209)	50,242 (148,868)	51,353 (152,274)
<b>Total parent entity interest</b>	<b>248,271</b>	<b>227,331</b>	<b>203,042</b>	<b>178,701</b>	<b>176,406</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>248,271</b>	<b>227,331</b>	<b>203,042</b>	<b>178,701</b>	<b>176,406</b>
<b>Current assets</b>	<b>102,441</b>	<b>131,229</b>	<b>163,376</b>	<b>176,837</b>	<b>205,916</b>
<b>Non-current assets</b>	<b>426,177</b>	<b>402,713</b>	<b>381,682</b>	<b>354,951</b>	<b>323,577</b>
<b>Current liabilities</b>	<b>280,347</b>	<b>306,611</b>	<b>342,016</b>	<b>353,087</b>	<b>353,087</b>
<b>Non-current liabilities</b>	-	-	-	-	-

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	68,251	88,433	36,406	43,765	30,190
Appropriations	462,220	453,120	464,154	495,049	457,289
Other	11,942	9,889	8,549	3,214	2,876
<b>Total cash received</b>	<b>542,413</b>	<b>551,442</b>	<b>509,109</b>	<b>542,028</b>	<b>490,355</b>
<b>Cash used</b>					
Employees	206,230	209,208	196,311	200,770	192,043
Suppliers	241,551	235,178	186,349	191,467	186,444
Grants	59,445	80,100	94,773	97,614	98,318
Borrowing costs	41	53	53	53	0
Other	29,330	25,193	29,843	29,576	16,831
<b>Total cash used</b>	<b>536,597</b>	<b>549,732</b>	<b>507,329</b>	<b>519,480</b>	<b>493,636</b>
<b>Net cash from or (used by) operating activities</b>	<b>5,816</b>	<b>1,710</b>	<b>1,780</b>	<b>22,548</b>	<b>(3,281)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of financial instruments	5	-	-	-	-
<b>Total cash received</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	4,796	1,662	2,724	5,618	1,111
Other	74	68	68	-	-
<b>Total cash used</b>	<b>4,870</b>	<b>1,730</b>	<b>2,792</b>	<b>5,618</b>	<b>1,111</b>
<b>Net cash from or (used by) investing activities</b>	<b>(4,865)</b>	<b>(1,730)</b>	<b>(2,792)</b>	<b>(5,618)</b>	<b>(1,111)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	2,500	1,202	370	318	1,111
<b>Total cash received</b>	<b>2,500</b>	<b>1,202</b>	<b>370</b>	<b>318</b>	<b>1,111</b>
<b>Cash used</b>					
Repayments of debt	1,082	-	-	-	-
<b>Total cash used</b>	<b>1,082</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>1,418</b>	<b>1,202</b>	<b>370</b>	<b>318</b>	<b>1,111</b>
<b>Net increase or (decrease) in cash held</b>	<b>2,369</b>	<b>1,182</b>	<b>(642)</b>	<b>17,248</b>	<b>(3,281)</b>
Cash at the beginning of the reporting period	8,560	10,929	12,111	11,469	28,717
<b>Cash at the end of the reporting period</b>	<b>10,929</b>	<b>12,111</b>	<b>11,469</b>	<b>28,717</b>	<b>25,436</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007–08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	(89,362)	248,022	14,466	27,136	200,262
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>(89,362)</b>	<b>248,022</b>	<b>14,466</b>	<b>27,136</b>	<b>200,262</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (deficit) for the period	(89,362)	248,022	14,466	27,136	200,262
<b>Total income and expenses recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2009</b>	<b>(119,543)</b>	<b>248,022</b>	<b>14,466</b>	<b>27,136</b>	<b>170,081</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	1,420	1,463	1,500	1,463	1,500
<b>Total taxation</b>	<b>1,420</b>	<b>1,463</b>	<b>1,500</b>	<b>1,463</b>	<b>1,500</b>
<b>Non-taxation</b>					
Goods and services	3,096	1,411	2,637	1,063	802
Interest	665	603	535	462	381
Other sources of non-taxation revenues	9,988	9,629	9,277	9,227	9,488
<b>Total non-taxation</b>	<b>13,749</b>	<b>11,643</b>	<b>12,449</b>	<b>10,752</b>	<b>10,671</b>
<b>Total revenues administered on behalf of Government</b>	<b>15,169</b>	<b>13,106</b>	<b>13,949</b>	<b>12,215</b>	<b>12,171</b>
<b>Gains</b>					
<b>Total gains administered on behalf of Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income administered on behalf of Government</b>	<b>15,169</b>	<b>13,106</b>	<b>13,949</b>	<b>12,215</b>	<b>12,171</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	1,116,114	1,565,585	2,714,516	2,220,086	2,410,186
Suppliers	110,587	86,870	91,779	92,822	90,542
Depreciation and amortisation	2,491	5,323	6,429	6,429	6,429
Other	20,737	24,465	24,972	24,436	22,664
<b>Total expenses administered on behalf of Government</b>	<b>1,249,929</b>	<b>1,682,243</b>	<b>2,837,696</b>	<b>2,343,773</b>	<b>2,529,821</b>

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	24	24	24	24	24
Receivables	34,981	32,865	35,602	35,071	36,986
Investments	6,809,897	6,848,804	6,856,391	6,861,511	6,861,511
Other financial assets	310	310	310	310	310
<b>Total financial assets</b>	<b>6,845,212</b>	<b>6,882,003</b>	<b>6,892,327</b>	<b>6,896,916</b>	<b>6,898,831</b>
<b>Non-financial assets</b>					
Land and buildings	109,620	196,768	193,381	189,639	185,866
Infrastructure, plant and equipment	1,271	1,271	1,271	1,271	1,271
Intangibles	76,577	79,019	78,690	78,348	78,006
Other	17,702	911	911	911	911
<b>Total non-financial assets</b>	<b>205,170</b>	<b>277,969</b>	<b>274,253</b>	<b>270,169</b>	<b>266,054</b>
<b>Total assets administered on behalf of Government</b>	<b>7,050,382</b>	<b>7,159,972</b>	<b>7,166,580</b>	<b>7,167,085</b>	<b>7,164,885</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
<b>Total provisions</b>	-	-	-	-	-
<b>Payables</b>					
Suppliers	2,144	2,144	2,144	2,144	2,144
Grants	11,427	11,427	11,427	11,427	11,427
Other payables	2,559	2,559	2,559	2,559	2,559
<b>Total payables</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>
<b>Total liabilities administered on behalf of Government</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>	<b>16,130</b>

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Taxes	1,420	1,463	1,500	1,463	1,500
Sales of goods and rendering of services	3,096	1,411	2,637	1,063	802
Interest	665	603	535	462	381
Net GST received	29,337	33,624	30,469	28,746	7,749
Other	9,988	9,629	9,277	9,227	9,488
<b>Total cash received</b>	<b>44,506</b>	<b>46,730</b>	<b>44,418</b>	<b>40,961</b>	<b>19,920</b>
<b>Cash used</b>					
Grant payments	1,103,585	1,559,214	2,714,516	2,220,086	2,410,186
Suppliers	104,068	76,450	91,779	92,822	90,542
Net GST paid	29,337	30,924	30,469	28,746	7,749
Other	20,737	24,465	24,972	24,436	22,664
<b>Total cash used</b>	<b>1,257,727</b>	<b>1,691,053</b>	<b>2,861,736</b>	<b>2,366,090</b>	<b>2,531,141</b>
<b>Net cash from or (used by) operating activities</b>	<b>(1,213,221)</b>	<b>(1,644,323)</b>	<b>(2,817,318)</b>	<b>(2,325,129)</b>	<b>(2,511,221)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	9	340	335	2,677	-
<b>Total cash received</b>	<b>9</b>	<b>340</b>	<b>335</b>	<b>2,677</b>	<b>-</b>

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June) (continued)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	20,479	5,794	2,450	2,345	2,314
<b>Total cash used</b>	20,479	5,794	2,450	2,345	2,314
<b>Net cash from or (used by) investing activities</b>	(20,470)	(5,454)	(2,115)	332	(2,314)
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	10,065	2,210	-	-	-
Other	8,233	9,820	9,365	7,642	7,749
<b>Total cash received</b>	18,298	12,030	9,365	7,642	7,749
<b>Cash used</b>					
Other	8,233	9,820	9,365	7,642	7,749
<b>Total cash used</b>	8,233	9,820	9,365	7,642	7,749
<b>Net cash from or (used by) financing activities</b>	10,065	2,210	-	-	-
<b>Net increase or (decrease) in cash held</b>	(1,223,626)	(1,647,567)	(2,819,433)	(2,324,797)	(2,513,535)
Cash at beginning of reporting period	24	24	24	24	24
Cash from Official Public Account for: - appropriations	1,279,598	1,654,256	2,809,866	2,318,789	2,515,204
Cash to Official Public Account for: - appropriations	(17,729)	(12,826)	(13,852)	(1,150)	(1,669)
Transfers to other entities (Finance - Whole of Government)	(335)	(3,320)	(432)	(13,742)	-
<b>Cash at end of reporting period</b>	24	24	24	24	24

Prepared on Australian Accounting Standards basis.



# **Bureau of Meteorology**

## **Agency resources and planned performance**



# BUREAU OF METEOROLOGY

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# BUREAU OF METEOROLOGY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The Bureau of Meteorology (an executive agency and a prescribed agency) is responsible for the outcome:

- Australia benefits from meteorological and related science and services.

The Bureau of Meteorology (the Bureau) is the national meteorological authority. Its mission is to observe and understand Australian weather and climate and provide meteorological, hydrological and oceanographic services in support of Australia's national needs and international obligations.

This overall mission involves five separate missions. These are:

- *Monitoring* – observation and data collection to meet the needs of present and future generations for reliable, homogeneous national meteorological and related data;
- *Research*—research directed to the advancement of meteorological science and the development of a comprehensive description and scientific understanding of Australia's weather and climate;
- *Services*—provision of meteorological and related data, information, forecast, warning, investigation and advisory services on a national basis;
- *International*—coordination of Australia's involvement in international meteorology; and
- *Water Information* – holding, managing, interpreting and disseminating Australia's water information.

This work supports all Australians, including the Australian Defence Force and key sectors such as transport and agriculture. The Bureau operates under the *Meteorology Act 1955*, and more recently, since taking on new water information functions, the *Water Act 2007*.

The Bureau's prime focus and strategic direction in the year ahead will be to continue to deliver high quality meteorological and related services to meet the needs of the community. The Government has recognised the crucial role of the Bureau's weather

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services through funding to install and operate a new weather radar at Mt Surprise, near Emerald in Queensland, to improve weather services for the surrounding community.

The Bureau's new responsibilities for water information, formalised in the 2007-08 Budget, require the rapid implementation of new systems and processes for sourcing water data from a wide range of state and private owners, the development of a reporting framework for such data and the generation of annual water accounts. Similarly, the Australian Tsunami Warning System has recently entered into its operational phase. Completion of this major project and finalisation of the ongoing operational arrangements are key activities for the new financial year. Success in these projects will make an important contribution to achieving the Bureau's outcome.

Since the 2007-08 Budget, the Bureau has assumed responsibility for the Ionospheric Prediction Service (IPS) from the former Department of Industry, Tourism and Resources (DITR). The functions of the IPS fit well with the range of observational programs and services the Bureau manages, in this case, shifting the area of interest to the very edge of space.

Meeting traditional expectations for meteorological services, while developing and managing a range of new functions will be the major challenge in 2008-09 and beyond. The Bureau is implementing and exploiting new technologies such as advanced supercomputers, deep ocean tsunami moorings and radars to strengthen its products and services and respond to new challenges, such as climate change. The Bureau strategy emphasises operational and organisational excellence and efficiency and seeks to enhance the benefits from meteorological and related science and services.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Bureau of Meteorology resource statement — Budget estimates for 2008-09 as at Budget May 2008**

	Estimate of prior <sup>+</sup> year amounts available in 2008-09 \$'000	Proposed at Budget <sup>=</sup> 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	34,370 <sup>4</sup>	244,804 <sup>1</sup>	279,174	232,154
s31 Relevant agency receipts	-	24,240 <sup>3</sup>	24,240	19,000
<b>Total</b>	<b>34,370</b>	<b>269,044</b>	<b>303,414<sup>5</sup></b>	<b>251,154</b>
<b>Administered expenses</b>	-	-	-	-
<b>Total ordinary annual services</b> A	<b>34,370</b>	<b>269,044</b>	<b>303,414</b>	<b>251,154</b>
<b>Other services</b>				
<b>Administered expenses</b>				
<b>Specific payments to States, ACT, NT and local government</b>				
Outcome 1	-	20,000	20,000	10,000
<b>Total</b>	-	<b>20,000</b>	<b>20,000</b>	<b>10,000</b>
<b>Departmental non-operating</b>				
Equity injections	-	10,906 <sup>2</sup>	10,906	21,790
<b>Total</b>	-	<b>10,906</b>	<b>10,906</b>	<b>21,790</b>
<b>Administered non-operating</b>				
<b>Total</b>	-	-	-	-
<b>Total other services</b> B	-	<b>30,906</b>	<b>30,906</b>	<b>31,790</b>
<b>Total Available Annual Appropriations</b>	<b>34,370</b>	<b>299,950</b>	<b>334,320</b>	<b>282,944</b>
<b>Special Appropriations</b>				
<b>Total Special Appropriations</b> C	-	-	-	-
<b>Total Appropriations excluding Special Accounts</b>	<b>34,370</b>	<b>299,950</b>	<b>334,320</b>	<b>282,944</b>
<b>Special Accounts</b>				
<b>Total Special Account</b> D	-	-	-	-
<b>Total resourcing</b> A+B+C+D	<b>34,370</b>	<b>299,950</b>	<b>334,320</b>	<b>282,944</b>
<b>Total net resourcing for the Bureau</b>	<b>34,370</b>	<b>299,950</b>	<b>334,320</b>	<b>282,944</b>

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

<sup>3</sup> s31 Relevant Agency receipts - estimate

<sup>4</sup> Estimated adjusted balance carried from previous year for Annual Appropriations

<sup>5</sup> The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the Outcome Budgets, for the reconciliation see Table 3.1.1 Reconciliation of Total Available Appropriation and Outcome Budgets

**Third Party Drawdowns from and on behalf of other agencies**

There are no third party drawdowns from and on behalf of other agencies for the Bureau of Meteorology.

**1.3 BUDGET MEASURES**

Budget measures relating to the Bureau of Meteorology are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Agency 2008-09 Budget measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measures</b>					
Bureau of Meteorology - Emerald Weather Radar Station	1.1				
Administered expense		-	-	-	-
Departmental outputs		195	512	493	534
<b>Total</b>		<b>195</b>	<b>512</b>	<b>493</b>	<b>534</b>
<b>Total expense measures</b>					
Administered		-	-	-	-
Departmental		195	512	493	534
<b>Total</b>		<b>195</b>	<b>512</b>	<b>493</b>	<b>534</b>
<b>Capital measures</b>					
Bureau of Meteorology - Emerald Weather Radar Station	1.1				
Administered capital		-	-	-	-
Departmental capital		1,444	1,798	-	-
<b>Total</b>		<b>1,444</b>	<b>1,798</b>	-	-
<b>Total capital measures</b>					
Administered		-	-	-	-
Departmental		1,444	1,798	-	-
<b>Total</b>		<b>1,444</b>	<b>1,798</b>	-	-

Prepared on a Government Financial Statistics (fiscal) basis

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the Bureau of Meteorology in achieving Government outcomes.

#### **2.1.1 Outcome 1: Australia benefits from meteorological and related science and services**

##### **Outcome 1 Strategy**

The key strategy for the Bureau of Meteorology (the Bureau) to achieve its outcome that Australia benefits from meteorological and related science and services, is to continue to explore and leverage the advantages from new technologies and research, while maintaining the appropriate systems and services across rural, regional and metropolitan Australia. This strategy is enhanced by the Bureau's investment in international meteorological activities and science, which yields returns back to Australia through the free exchange of meteorological data and access to international knowledge and understanding.

With a focus on the preparation and delivery of forecasting services, key projects that will contribute to the outcome include: the finalisation of the project phase and delivery of an operational Australian Tsunami Warning System; further implementation of radar facilities across Australia, including specifically a new weather watch radar to be situated on Mt Surprise, in the Emerald region of Queensland; implementation of new super computing infrastructure and the new weather prediction system; and the progressive development and implementation of water information systems and reporting. The latter project will extend beyond the forward estimates years as a major component of providing water security to the Australian community.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Australia benefits from meteorological and related science and services</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.1: Meteorological and related data</b>		
Departmental Outputs		
Meteorological and related data	142,721	140,887
Revenues from other sources (s.31)	923	766
<b>Subtotal for Output Group 1.1</b>	<b>143,643</b>	<b>141,653</b>
<b>Output Group 1.2: Meteorological and related research</b>		
Departmental Outputs		
Meteorological and related research	10,404	9,463
Revenues from other sources (s.31)	3,315	3,185
<b>Subtotal for Output Group 1.2</b>	<b>13,719</b>	<b>12,648</b>
<b>Output Group 1.3: Meteorological and related services and products</b>		
Departmental Outputs		
Meteorological and related services and products	66,572	68,740
Revenues from other sources (s.31)	16,555	14,541
<b>Subtotal for Output Group 1.3</b>	<b>83,127</b>	<b>83,281</b>
<b>Output Group 1.4: International meteorological activities</b>		
Departmental Outputs		
International meteorological activities	3,064	3,366
Revenues from other sources (s.31)	275	508
<b>Subtotal for Output Group 1.4</b>	<b>3,340</b>	<b>3,874</b>
<b>Output Group 1.5: Water information</b>		
Administered Items:		
Water for the Future - Water Information	20,000	10,000
Departmental Outputs		
Water information	22,043	9,698
Revenues from other sources (s.31)	3,172	-
<b>Subtotal for Output Group 1.5</b>	<b>45,215</b>	<b>19,698</b>
<b>Total resources for Outcome 1</b>	<b>289,044</b>	<b>261,154</b>
	2008-09	2007-08
<b>Average staffing level (number)</b>	1,295	1258.2

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

(B2) - Annual Appropriation Bill 2 (Other Services)

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

**Contributions to Outcome 1**

<b>Output Group 1.1: Meteorological and Related Data</b>	
<p>Installation, operation, maintenance and end-to-end support of operational observational networks and systems and telecommunications and information technology infrastructure. The contribution of this output to the outcome is to meet present and future needs for continuous reliable data on Australian weather and climate. Key results to be achieved are that meteorological observations networks properly support the Bureau's operations and services and meet the requirements for international data exchange.</p> <p>Components of Output Group 1.1:</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Meteorological and related data</li> </ul>	
Key Performance Indicators	2008-09 Target
Satisfaction of Australia's present and future needs for continuous reliable meteorological and related data	95% of scheduled observations are received on time and within prescribed error limits
<p>The density, representativeness, accuracy, homogeneity, continuity and reliability of the national meteorological and related observation networks and systems are sufficient to:</p> <ul style="list-style-type: none"> <li>• meet essential present and future national and international needs for Australian meteorological and related data;</li> <li>• provide the basis for routine nationwide weather watch and numerical prediction operations and provide a common foundation for the provision of weather, climate, hydrological and oceanographic services;</li> <li>• meet Australia's commitments in relation to the international exchange of meteorological and related data; and</li> <li>• support the data needs associated with meteorological and related research</li> </ul>	<p>Field equipment outages are not greater than 24 hours for essential equipment, 7 working days for operationally backed-up infrastructure, and 22 days for other field equipment</p> <p>50 peer-reviewed publications use Bureau-acquired meteorological and related data</p> <p>95% of users surveyed are satisfied with the reliability and availability of major observation system components</p> <p>Five new initiatives aimed at addressing emerging and future observational requirements are implemented</p> <p>Numbers of fully operational observing stations—50 upper-air stations, 860 synoptic (including automatic weather) stations, 7,500 rainfall stations, 25 drifting buoys, 100 voluntary observing ships, 8 Argo floats, 15 tide gauge stations, 745 river height stations, 63 weather watch radars, 18 satellite ground stations, 8 solar &amp; terrestrial radiation stations; 5 total ozone stations; 2 ozone profile and 1 Baseline station</p>

<b>Output Group 1.1: Meteorological and Related Data</b>	
<p>Meteorological and related data from the observational network are transmitted to the National Meteorological and Oceanographic Operations Centre and Regional Forecasting Centres error-free and within cut-off times and meteorological information, forecasts and warnings are communicated promptly and accurately to users</p>	<p>Computer and communications systems outages are not greater than 8 hours per annum for key operational systems</p> <p>90% of users surveyed are satisfied with the functional capacity and availability of mission critical communications system components</p> <p>95% of achievable capacity in displaying radar images on the Bureau of Meteorology website is attained</p> <p>28 Australian Integrated Forecast System equipped offices</p>
<p>Central and regional computer systems and computing advisory and consultative services meet the defined requirements of all Bureau programmes and contribute to overall efficiency and productivity gains</p>	<p>98 inter-office communication links operational, 910 automated data collection links operational and 12 international communications circuits operational</p>
<p>The contribution of radio propagation and space environment advice to the Australian community in support of radio communications, national security, defence, emergency services, public safety and industry</p>	<p>Operate and improve a world-class space environment monitoring network and extend its observational capacity through:</p> <ul style="list-style-type: none"> <li>• 90% of ionospheric, magnetometer, riometer data being available in the Bureau operated World Data Centre for Solar Terrestrial Science</li> <li>• 30 million accesses annually to the IPS web site, and 10,000 regular customers that visit the web site</li> <li>• the incorporation of new data from third party sources</li> <li>• improved ionospheric and geomagnetic models</li> </ul> <p>Develop and release a new VHF-UHF radio propagation field strength advice as a web service</p> <p>Develop geomagnetic services through the implementation of a geomagnetic storm index and recovery predictions</p> <p>Undertake at least two major and several minor propagation or antenna modelling consultancies</p>

<b>Output Group 1.2: Meteorological and Related Research</b>	
<p>Research, in partnership with CSIRO, into climate, atmospheric, land, and marine processes, in particular those processes that drive variability and change. The contribution of this output to the outcome is through the advancement of meteorological science and understanding of the mechanisms of Australian weather and climate. The key result to be achieved is a contribution to earth systems science that is recognised for its innovation and scientific excellence nationally and as a world leader in the field.</p> <p>Components of Output Group 1.2:</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Meteorological and related research</li> </ul>	
Key Performance Indicators	2008-09 Target
Research is recognised for the quality and extent of its contribution to national and international meteorological and related sciences	<p>Number of awards (3)</p> <p>Number of international visitors (20)</p> <p>Number of publication articles (peer reviewed: 65; non-peer reviewed 90)</p> <p>Number of international meetings convened (3)</p> <p>Number of memberships on eminent scientific panels (12)</p>
Research contributes to the knowledge base relevant to Australian weather and climate	<p>Number of collaborative projects managed (12)</p> <p>Number of innovations taken up externally (2)</p> <p>Number of inventions (new technology) (1)</p> <p>Number of seminars held (internally organised) (50)</p>
Research is responsive to national priorities and the Bureau's operational needs	<p>Number of new developments/innovations (tests, trials) (4)</p> <p>55% of research effort to address National Research Priorities</p> <p>30% of research budget from external sources</p>
Research impacts the efficiency and effectiveness of relevant systems and services within the Bureau	<p>Number of responses/advice for extreme weather events (5)</p>
Research impacts national and international scientific debate within its field(s) of expertise	<p>Number of scientists as lead or contributing authors in Intergovernmental Panel on Climate Change and equivalent assessments (5)</p> <p>Number of invitations to present at national meetings/workshops/conferences including keynote addresses (40)</p>

<b>Output Group 1.2: Meteorological and Related Research</b>	
	Number of collaborative projects (75)
Research is innovative and policy relevant, nationally and internationally	Number of people directly involved in national science forums and working groups (10) High quality input to question time briefs (5) All requests for advice met on time Scientific integrity of systems and services maintained (100% still operating) Positive response to the National Research Priorities (NRP) report from the Office of the Chief Scientist – number of issues identified no more than 1 Number of communications (briefings, media, etc) (25)

<b>Output Group 1.3: Meteorological and Related Services and Products</b>	
<p>Encompasses analysis and prediction, the provision of public, marine, aviation and defence weather services and engagement in disaster mitigation activities, together with climate data, climate monitoring, flood warning, oceanographic, commercial and cost recovery services and the provision of hydro-meteorological advice. The contribution of this output to the outcome is through the enhancement of community safety and well-being through preparation of meteorological and related products and information and the effectiveness of meteorological and related services used by the general public and other major social, environmental and economic sectors. In this work the key result is the provision of effective warning services, including the newly established Australian tsunami warning system along with more routine forecasts and services.</p> <p>Components of Output Group 1.3:</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Meteorological and related services and products</li> </ul>	
Key Performance Indicators	2008-09 Target
The National Meteorological and Oceanographic Centre and the Regional Forecast Centres provide, in combination, a sufficiently comprehensive and responsive nationwide and regional scale weather watch operation to detect and react immediately to the first evidence of developing dangerous weather and provide a foundation for the provision of effective warning services along with routine basic and special weather services	Accuracy of centralised analysis and forecast guidance products as measured by statistical evaluation procedures falls within specified limits for skill, annual average temperature errors, pressure anomalies, and annual average sea state errors in predictions in the Australian Region  24/7 operations from 7 Regional Forecasting Centres utilising 200 groups of numerical guidance products issued by the National Meteorological and Oceanographic Operations Centre with 10 systems providing distinctive weather watch and guidance products

<b>Output Group 1.3: Meteorological and Related Services and Products</b>	
<p>The contribution of meteorological and related services through timely and accurate forecasts, warnings, information and advice to:</p> <ul style="list-style-type: none"> <li>• minimising loss of life and property and community disruption from bushfires, tropical cyclones, and severe storms</li> <li>• minimising economic and other costs of disaster preparedness</li> <li>• the safety, comfort, convenience and general welfare and economic benefit of the public and major community groups</li> <li>• the safety and efficiency of shipping, small craft and maritime industries</li> <li>• the safety, regularity and efficiency of air navigation</li> <li>• the efficiency and effectiveness of the Australian Defence Force</li> <li>• government and community planning</li> <li>• the management of the environment, including natural resources</li> <li>• the economy and efficiency of primary and secondary industry</li> </ul>	<p>15,000 to 20,000 public weather warnings issued</p> <p>300,000 to 350,000 public weather forecast and information bulletins issued</p> <p>430,000 climate data, information, monitoring, prediction and advisory services provided</p> <p>7,500 consultative services provided</p> <p>3 to 4 million accesses by telephone/facsimile and 4 to 4.5 billion accesses by the Internet for weather service products</p> <p>40,000 oceanographic products issued, including 36,500 tide predictions</p> <p>3 million telephone, facsimile and Internet accesses to automated climate service delivery systems</p> <p>Accuracy of Seasonal Climate Outlook (SCO) products as measured by SCO skill score exceeds that of climatology</p> <p>External user surveys indicate a 90% satisfaction with the timeliness and accuracy of public weather forecasts and warnings and the services that provide them</p> <p>90% of users surveyed indicate that public weather forecasts and warnings are becoming more accurate or are maintaining current levels of accuracy</p> <p>90% of users indicate that oceanographic services support their activities and meet their needs, allowing for no more than 0.1 percent downtime for Internet access services</p> <p>90% of users surveyed are satisfied with the timeliness and value of analysis and forecast guidance products</p>
<p>User needs for special weather services, climate services and consultancy services are identified and, within available resources, satisfied</p>	<p>85% of users surveyed are 'satisfied' or 'very satisfied' with special weather, climate and consultative services</p> <p>90% of commercial contracts are completed on time</p>

<b>Output Group 1.3: Meteorological and Related Services and Products</b>	
	90% of existing clients renew commercial contracts
<p>The data stored in the National Climate Centre:</p> <ul style="list-style-type: none"> <li>• are appropriate in terms of types of parameters included</li> <li>• comply with relevant national and international guidelines in respect of density, frequency and length of period of observations stored</li> <li>• have been subject to appropriate quality control</li> <li>• are of acceptable quality</li> <li>• are stored optimally in terms of security and accessibility</li> </ul>	<p>96% of regular observations entries into the national climate data base successfully completed within preset quality control standards</p> <p>85% of users surveyed are 'satisfied' or 'very satisfied' with climate data services</p>
<p>An Australian Tsunami Warning System is developed in collaboration with Geoscience Australia (GA), and Emergency Management Australia, and a joint warning centre is established with GA that delivers reliable and timely warnings of tsunami</p>	<p>99% of Australian Tsunami Bulletins issued in conjunction with GA are available to emergency services and the public within 40 minutes of a significant event anywhere in the Pacific or Indian Oceans. Assuming current seismic activity there is an expectation that some 60 'no threat' bulletins will be issued following significant undersea earthquakes leading to 5 alerts of potential tsunami threat to Australian offshore territories and 2 tsunami warnings</p>
<p>The National Tidal Centre:</p> <ul style="list-style-type: none"> <li>• provides reliable and timely predictions of tides at major and secondary ports</li> <li>• contributes to the sea level measurements for climate and for tsunami detection</li> </ul>	<p>90% of users surveyed indicate that they are 'satisfied' or 'very satisfied' with sea level measurements and tide predictions</p>

<b>Output Group 1.4: International Meteorological Activities</b>	
<p>Participation in the scientific and technical programs and the Voluntary Cooperation Program of the World Meteorological Organization (WMO) and related international exchange and bilateral technical cooperation activities. The contribution of this output to the outcome is through international cooperation and goodwill, including the benefits of global meteorological cooperation under the Convention of the World Meteorological Organization and related international meteorological treaties and agreements. The key result is continued coordination with and participation in the international meteorological community from which Australia benefits from through access to global meteorological systems and data sharing, that in turn assists developing weather services, particularly in our region.</p> <p>Components of Output Group 1.4:</p> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• International meteorological activities</li> </ul>	
Key Performance Indicators	2008-09 Target
Australia meets agreed international requirements for data exchange	<p>100% of the formal data exchange obligations of roles for the Melbourne World Meteorological Centre (WMC) and the Melbourne and Darwin Regional Specialised Meteorological Centres (RSMCs), as designated by the WMO are fulfilled</p> <p>Developing National Meteorological and Hydrological Services in the region maintain their high level of satisfaction with Australian technical cooperation</p> <p>WMC Melbourne, RSMCs Melbourne and Darwin and the Joint WMO / Intergovernmental Oceanographic Commission (IOC) Commission for Oceanography and Marine Meteorology (JCOMM) Specialised Oceanographic Centre, Melbourne, are maintained</p>
Australia can use its standing in international meteorology to influence international developments to national advantage	<p>A high level of demand for Australian officers to participate in WMO activities is maintained</p> <p>Australian influence is exercised through occupancy of important senior positions in the WMO, the IOC and related organisations</p> <p>Australia is represented in all WMO constituent bodies (viz. Congress, Executive Council, Regional Association V, all Technical Commissions)</p> <p>Three or more major international meteorological meetings are hosted in Australia per year</p>
Participation in international activities can be shown to contribute to the effectiveness and efficiency of Bureau operations and services	The value achieved from scientific exchange visits and cooperative projects undertaken with other countries is maintained

*Bureau of Meteorology Budget Statements*

<b>Output Group 1.4: International Meteorological Activities</b>	
	<p>The flow of accurate observational data to Australia is increased through provision of technical assistance and meteorological training to the National Meteorological and Hydrological Services of developing countries</p> <p>Active bilateral cooperative programmes are maintained with the thirteen countries (China, India, Indonesia, Iran, New Zealand, Peru, Qatar, Republic of Korea, Russian Federation, South Africa, United Kingdom, United States of America and Vietnam) with which a Memorandum of Understanding or treaty has been signed and with Japan with which informal letters have been exchanged on cooperation in meteorology and oceanography</p>
The Bureau contributes to improved international tsunami warning systems	Australia is a member of the IOC Intergovernmental Coordination Group of the Indian Ocean Tsunami Warning and Mitigation System and the Pacific Ocean Tsunami Warning and Mitigation System
The contribution of Australian expertise and support improves the quality and performance of National Meteorological and Hydrological Services in the South-West Pacific and South-East Asia	All AusAID projects offering capacity building by the Bureau especially its Training Centre in Melbourne to help develop meteorology in developing countries are supported

<b>Output Group 1.5: Water Information</b>	
<p>Holding, managing, interpreting and disseminating Australia's water information. Provide regular reports on the status of Australia's water resources and provide forecasts on the future availability of water. Compile, maintain and annually publish the National Water Account. The contribution of this output to the outcome is through the provision of water information and related services as part of the Water for the Future program. The progressive implementation of new water information data and reporting systems are key results in meeting National Water Initiative objectives.</p> <p>Components of Output Group 1.5:</p> <p><b>Administered Items</b></p> <ul style="list-style-type: none"> <li>• Water for the Future – Water Information</li> </ul> <p><b>Departmental Outputs</b></p> <ul style="list-style-type: none"> <li>• Water information</li> </ul>	
Key Performance Indicators	2008-09 Target
Water planners and managers have access to water information that is accurate, timely, reliable and fit-for-purpose (satisfaction of Australia's present and future needs for reliable, homogeneous water data)	<p>The quality and timeliness of data from Australian water observation networks is maintained or improved relative to 2006 levels</p> <p>Investment programs for the modernisation and extension of water observation networks are agreed with all State and Territory governments to facilitate improvements in national hydrometric networks</p> <p>Successful harvesting of water data and information from Australian Water data owners, at specified data quality and currency levels</p> <p>Publish a National Water Account addressing National Water Initiative objectives</p> <p>Build a web-based and publicly-accessible national database of water information resulting in a 10% increase in access to water information from the Bureau's website</p> <p>95% of regular data downloads to the national water data archive successfully completed within preset quality control standards</p> <p>90% of users surveyed are 'satisfied' or 'very satisfied' with water information products</p>
Water information standards satisfy the requirements of water planners and managers	Water information standards defined to the satisfaction of an appropriate expert group
Strategic investigations for an enhanced understanding of Australia's water resources	100% of commissioned investigations completed in accordance with specified terms and conditions

*Bureau of Meteorology Budget Statements*

<b>Output Group 1.5: Water Information</b>	
	Four new water information products are developed
Community safety and wellbeing are served through preparation of water data products and information and the effective use of hydrological and flood forecasting services by the general public, industry, and major social and economic sectors.	Provide and further develop an effective and reliable flood forecasting and warning services in close cooperation with State and Territory partners

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009-10 Budget year, including amounts related to meeting future obligations to maintain the agency's asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	303,414
Less total attributed in outcome resource statements	278,546
<b>Estimated departmental operating appropriation carry-forward for 2009-10 (outputs)</b>	24,868

#### 3.1.2 Movement of administered funds between years

There are no movement of administered funds between years for the Bureau of Meteorology.

### 3.1.3 Special Accounts

The Bureau of Meteorology has a Special Account for Other Trust Moneys established under s20 of the *Financial Management and Accountability Act 1997*.

**Table 3.1.3 Estimates of special account flows and balances**

Name of account (A)	Opening	Receipts	Payments	Adjustments	Closing
	balance				balance
	<b>2008-09</b>	<b>2008-09</b>	<b>2008-09</b>	<b>2008-09</b>	<b>2008-09</b>
	2007-08	2007-08	2007-08	2007-08	2007-08
Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys - Bureau of Meteorology Special Account	-	-	-	-	-
<b>Total special accounts</b>					
<b>2008-09 Budget estimate</b>	-	-	-	-	-
Total special accounts					
2007-08 estimate actual	-	-	-	-	-

(A) = Administered

(D) = Departmental

### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other	Total	Output Group
	Bill	Bill	Special	Total			
	No. 1	No. 2	Approp	Approp			
	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Bureau of Meteorology</b>							
<b>Outcome 1.1</b>							
Administered 2008-09	-	-	-	-	-	-	
Administered 2007-08	-	-	-	-	-	-	
Departmental 2008-09	15	-	-	15	-	15	1
Departmental 2007-08	46	-	-	46	-	46	1
Total Outcome 2008-09	15	-	-	15	-	15	1
Total Outcome 2007-08	46	-	-	46	-	46	1
<b>Total AGIE 2008-09</b>	15	-	-	15	-	15	
Total AGIE 2007-08	46	-	-	46	-	46	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

An analysis of the Bureau of Meteorology's (the Bureau) budgeted financial statements, as reflected in the Bureau's budgeted departmental financial statements and administered schedules for 2008-09, is provided below:

#### **Budgeted Departmental Income Statement**

Total revenue to the Bureau in 2008-09 is estimated to be \$269.0 million, an increase of \$17.9 million from the 2007-08 estimated actual. The increase is primarily the result of:

- increased funding associated with the Water for the Future measure announced in the 2007-08 Budget;
- increased funding associated with the 2005-06 Budget Measure Replacement of Field Meteorological Offices;
- increased funding associated with the 2005-06 Budget Measure Australian Tsunami Warning System – Indian and Pacific Oceans Tsunami warning system;
- increased number and quantum of cost recoverable projects and services;
- new funding associated with the installation of new radar facilities at Emerald;
- section 32 transfer of the Ionospheric Prediction Service to the Bureau from the Department of Innovation, Industry, Science and Research; and
- increased funding for economic parameter adjustments.

Total expenses are estimated to be \$269.0 million, an increase of \$17.9 million from the 2007-08 estimated actual.

The net increase in expenses is associated with the measures as detailed above.

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

The Bureau's anticipated budgeted equity position of \$276.9 million represents an increase of \$10.9 million from the 2007-08 estimated actual. The increase in equity is attributable to an equity injection for the Bureau's capital works programme in relation to the installation of a new radar facility at Emerald in Queensland (\$1.4 million), the replacement of a number of field meteorological offices (\$1.2 million), implementation of a tsunami early warning system for the Indian Ocean, Australia and South West Pacific region (\$4.1 million) and implementation of systems for the Water for the Future initiative (\$4.2 million).

### *Bureau of Meteorology Budget Statements*

The Bureau's major asset, 'Infrastructure, Plant and Equipment', is projected to increase by \$20.9 million to a total of \$234.5 million in 2008-09 due primarily to increased expenditure in the Bureau's capital works programme as outlined above offset by depreciation of the remainder of the asset base. The projected increase in land and buildings from \$71.2 million to \$71.9 million is primarily associated with investments through the field meteorological office replacement programme.

The Bureau's primary liability continues to be accrued employee entitlements that total \$56.9 million.

### **Schedule of Budgeted Revenues and Expenses Administered on behalf of Government**

The Bureau will receive administered revenue of \$18.8 million in 2008-09, an increase of \$0.4 million from the 2007-08 estimated actual. The increase is largely due to recovering additional costs for specialised services provided to the Department of Defence and the Aviation industry.

A further \$20.0 million in Special Payment Grants has been provided in 2008-09 as part of the Water for the Future initiative. Over the five year period (2007-08 to 2011-12) the Special Payment Grants will total \$80.0 million.

### **Schedule of Budgeted Assets and Liabilities Administered on behalf of Government**

The Bureau's total administered assets are expected to remain stable at \$2.7 million for the 2008-09 financial year. The receivable and accrued revenue will be of the same order of magnitude as the 2007-08 estimated actuals.

### 3.2.2 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	232,154	244,804	253,886	260,279	264,791
Goods and services	19,000	24,240	26,770	25,321	25,893
<b>Total revenue</b>	<b>251,154</b>	<b>269,044</b>	<b>280,656</b>	<b>285,600</b>	<b>290,684</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>251,154</b>	<b>269,044</b>	<b>280,656</b>	<b>285,600</b>	<b>290,684</b>
<b>EXPENSE</b>					
Employees	130,052	139,254	144,193	144,640	145,081
Suppliers	70,438	77,891	83,531	87,815	92,549
Depreciation and amortisation	49,026	50,275	51,297	51,498	51,394
Write-down of assets and impairment of assets	1	1	1	1	1
Other	1,637	1,623	1,634	1,646	1,659
<b>Total expenses</b>	<b>251,154</b>	<b>269,044</b>	<b>280,656</b>	<b>285,600</b>	<b>290,684</b>
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	1,179	1,179	1,179	1,179	1,179
Trade and other Receivables	39,949	30,447	19,945	10,443	10,941
Accrued Revenues	1,569	1,569	1,569	1,569	1,569
<b>Total financial assets</b>	<b>42,697</b>	<b>33,195</b>	<b>22,693</b>	<b>13,191</b>	<b>13,689</b>
<b>Non-financial assets</b>					
Land and buildings	71,225	71,856	75,871	78,288	77,724
Infrastructure, plant and equipment	213,655	234,524	255,956	272,134	275,808
Inventories	11,893	11,893	11,893	11,893	11,893
Intangibles	9,769	8,677	7,585	6,493	5,401
Other	2,650	2,650	2,650	2,650	2,650
<b>Total non-financial assets</b>	<b>309,192</b>	<b>329,600</b>	<b>353,955</b>	<b>371,458</b>	<b>373,476</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>351,889</b>	<b>362,795</b>	<b>376,648</b>	<b>384,649</b>	<b>387,165</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	56,885	56,885	56,885	56,885	56,885
Other	13,094	13,094	13,094	13,094	13,094
<b>Total provisions</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>
<b>Payables</b>					
Suppliers	3,367	3,367	3,367	3,367	3,367
Other	12,583	12,583	12,583	12,583	12,583
<b>Total payables</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>
<b>Total liabilities</b>	<b>85,929</b>	<b>85,929</b>	<b>85,929</b>	<b>85,929</b>	<b>85,929</b>
<b>Net assets</b>	<b>265,960</b>	<b>276,866</b>	<b>290,719</b>	<b>298,720</b>	<b>301,236</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	214,704	225,610	239,463	247,464	249,980
Reserves	36,043	36,043	36,043	36,043	36,043
Retained surpluses or accumulated deficits	15,213	15,213	15,213	15,213	15,213
<b>Total parent entity interest</b>	<b>265,960</b>	<b>276,866</b>	<b>290,719</b>	<b>298,720</b>	<b>301,236</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>265,960</b>	<b>276,866</b>	<b>290,719</b>	<b>298,720</b>	<b>301,236</b>
<b>Current assets</b>	<b>46,916</b>	<b>37,414</b>	<b>26,912</b>	<b>17,410</b>	<b>17,908</b>
<b>Non-current assets</b>	<b>304,973</b>	<b>325,381</b>	<b>349,736</b>	<b>367,239</b>	<b>369,257</b>
<b>Current liabilities</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>	<b>69,979</b>
<b>Non-current liabilities</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>	<b>15,950</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	19,000	24,240	26,770	25,321	25,893
Appropriations	227,211	254,306	264,388	269,781	264,293
Net GST received	8,310	8,310	8,310	8,310	8,310
<b>Total cash received</b>	<b>254,521</b>	<b>286,856</b>	<b>299,468</b>	<b>303,412</b>	<b>298,496</b>
<b>Cash used</b>					
Employees	128,797	139,254	144,193	144,640	145,081
Suppliers	73,763	79,514	85,165	89,461	94,208
Net GST paid	4,560	4,560	4,560	4,560	4,560
<b>Total cash used</b>	<b>207,120</b>	<b>223,328</b>	<b>233,918</b>	<b>238,661</b>	<b>243,849</b>
<b>Net cash from or (used by) operating activities</b>	<b>47,401</b>	<b>63,528</b>	<b>65,550</b>	<b>64,751</b>	<b>54,647</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1,125	175	25	25	25
<b>Total cash received</b>	<b>1,125</b>	<b>175</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	66,565	70,858	75,677	69,026	53,437
Other	3,751	3,751	3,751	3,751	3,751
<b>Total cash used</b>	<b>70,316</b>	<b>74,609</b>	<b>79,428</b>	<b>72,777</b>	<b>57,188</b>
<b>Net cash from or (used by) investing activities</b>	<b>(69,191)</b>	<b>(74,434)</b>	<b>(79,403)</b>	<b>(72,752)</b>	<b>(57,163)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	21,790	10,906	13,853	8,001	2,516
<b>Total cash received</b>	<b>21,790</b>	<b>10,906</b>	<b>13,853</b>	<b>8,001</b>	<b>2,516</b>
<b>Cash used</b>					
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>21,790</b>	<b>10,906</b>	<b>13,853</b>	<b>8,001</b>	<b>2,516</b>
<b>Net increase or (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	1,179	1,179	1,179	1,179	1,179
<b>Cash at the end of the reporting period</b>	<b>1,179</b>	<b>1,179</b>	<b>1,179</b>	<b>1,179</b>	<b>1,179</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	15,213	36,043		214,704	265,960
<b>Adjusted opening balance</b>	15,213	36,043		214,704	265,960
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	10,906	10,906
<b>Sub-total transactions with owners</b>	-	-	-	10,906	10,906
<b>Estimated closing balance as at 30 June 2009</b>	15,213	36,043	-	225,610	276,866

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Estimated actual 2007-08	Budget estimate 2008-09	Forward estimate 2009-10	Forward estimate 2010-11	Forward estimate 2011-12
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
Rendering of Services	18,400	18,750	19,100	19,500	19,500
<b>Total non-taxation</b>	18,400	18,750	19,100	19,500	19,500
<b>Total revenues administered on behalf of Government</b>	18,400	18,750	19,100	19,500	19,500
<b>Gains</b>					
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	18,400	18,750	19,100	19,500	19,500
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	10,000	20,000	20,000	20,000	10,000
Write down and impairment of assets	25	25	25	25	25
<b>Total expenses administered on behalf of Government</b>	10,025	20,025	20,025	20,025	10,025

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	1,537	1,537	1,537	1,537	1,537
Accrued revenues	1,185	1,185	1,185	1,185	1,185
<b>Total financial assets</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>
<b>Non-financial assets</b>					
<b>Total non-financial assets</b>	-	-	-	-	-
<b>Total assets administered on behalf of Government</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>	<b>2,722</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
<b>Total provisions</b>	-	-	-	-	-
<b>Payables</b>					
<b>Total payables</b>	-	-	-	-	-
<b>Total liabilities administered on behalf of Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2.7: Schedule of budgeted administered cash flows  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	20,004	20,354	20,704	21,104	21,104
<b>Total cash received</b>	20,004	20,354	20,704	21,104	21,104
<b>Cash used</b>					
Grant payments	10,000	20,000	20,000	20,000	10,000
Net GST paid	1,629	1,629	1,629	1,629	1,629
<b>Total cash used</b>	11,629	21,629	21,629	21,629	11,629
<b>Net cash from or (used by) operating activities</b>	8,375	(1,275)	(925)	(525)	9,475
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account	10,000	20,000	20,000	20,000	10,000
<b>Total cash received</b>	10,000	20,000	20,000	20,000	10,000
<b>Cash used</b>					
Cash to Official Public Account	18,375	18,725	19,075	19,475	19,475
<b>Total cash used</b>	18,375	18,725	19,075	19,475	19,475
<b>Net cash from or (used by) financing activities</b>	(8,375)	1,275	925	525	(9,475)
<b>Net increase or (decrease) in cash held</b>					
<b>Cash at end of reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

# **Director of National Parks**

## **Agency resources and planned performance**



# DIRECTOR OF NATIONAL PARKS

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# DIRECTOR OF NATIONAL PARKS

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The Director of National Parks (DNP) is a statutory corporation established under the *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act) to administer and manage Commonwealth reserves (national parks, botanic gardens, marine and terrestrial reserves) declared under the EPBC Act.

These include Booderee, Kakadu and Uluru-Kata Tjuta National Parks which are each jointly managed with their Aboriginal traditional owners; national parks in the remote Australian territories of Norfolk, Christmas and Cocos-Keeling Islands; and the Australian National Botanic Gardens which is a major national institution for the study of Australian plants. Kakadu and Uluru-Kata Tjuta National Parks are World Heritage listed.

Commonwealth marine reserves declared under the EPBC Act are managed on behalf of the Director by the Marine and Biodiversity Division or the Australian Antarctic Division of the Department of the Environment, Water, Heritage and the Arts.

Priority outcomes continue to be the conservation of the natural and cultural values of, Commonwealth reserves, and provision for inspirational, rewarding and safe visitor experiences. In the jointly managed parks, improving indigenous employment and participation in management is also a priority.

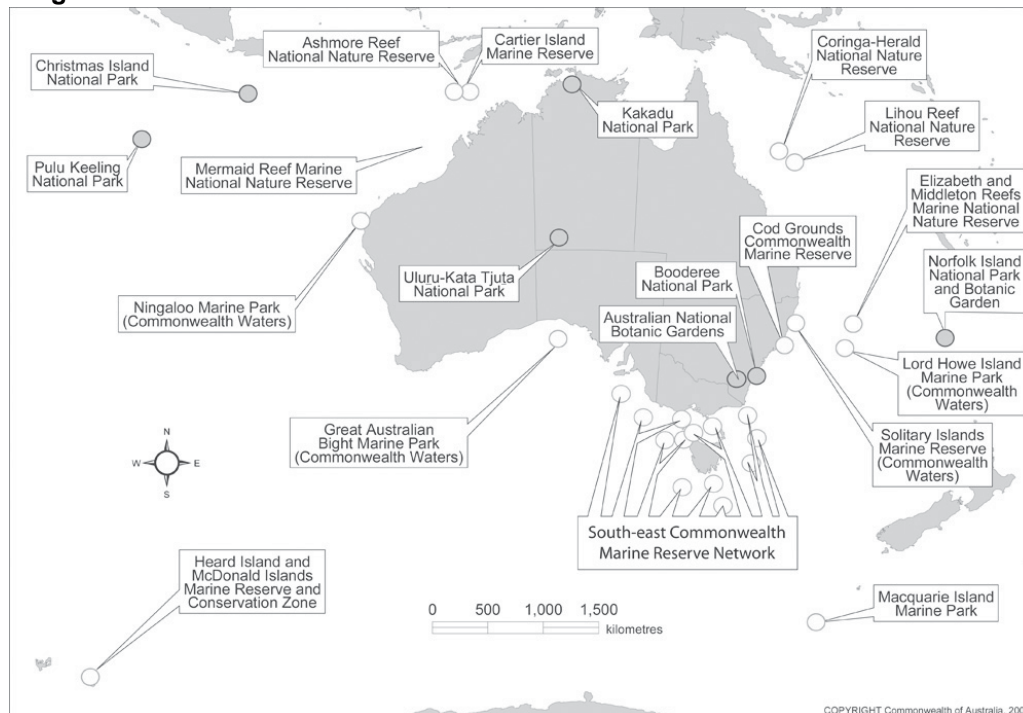
Several major projects will be completed or substantially advanced in 2008–09. They include the new Sunrise viewing area near Uluru; the rehabilitation of old uranium mines in the upper South Alligator River region of Kakadu; the developing of a secure and cost-effective water supply for the Australian National Botanic Gardens; the resolution of native title and outstanding land claims in Kakadu; and the re-branding of Kakadu National Park.

The National Landscapes partnership with Tourism Australia continues as a major priority, as is the strong collaboration with State and Territory park agencies and relevant State/Territory and regional tourism organisations.

The Marine Bioregional Planning process will continue to develop proposals for new marine reserve networks to build Australia's comprehensive, adequate and representative system of marine protected areas.

Continuation of budget supplementation (\$4.4 million) for Kakadu National Park to replace revenue lost through the abolition of park entry fees in 2004 will enable park operations to continue at appropriate levels. Rising costs of key goods such as diesel, out-sourced services and labour may impact on services and standards.

**Diagram 1: Location of Commonwealth Parks and Reserves**



## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Director of National Parks resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>10,730</b>	-	<b>10,730</b>	17,818
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1 - Conservation and appreciation of Commonwealth Reserves	-	-	-	-
<b>Total ordinary annual services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other services</b>				
<i>Non-Operating</i>	-	150	150	15,000
<b>Total other services</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>15,000</b>
<b>Total Annual Appropriations</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>15,000</b>
<b>Payments from related entities<sup>3</sup></b>				
<i>Amounts from the portfolio department</i>	-	44,196	44,196	44,051
<b>Total</b>	<b>-</b>	<b>44,196</b>	<b>44,196</b>	<b>44,051</b>
<b>Total Funds from Government</b>	<b>-</b>	<b>44,346</b>	<b>44,346</b>	<b>59,051</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	450	450	654
<i>Sale of goods and services</i>	-	10,920	10,920	11,010
<i>Other</i>	-	454	454	454
<b>Total</b>	<b>-</b>	<b>11,824</b>	<b>11,824</b>	<b>12,118</b>
<b>Total net resourcing for Agency</b>	<b>10,730</b>	<b>56,170</b>	<b>66,900</b>	<b>88,987</b>

All figures are GST exclusive

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

<sup>3</sup> The Director of National Parks is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of the Environment, Water, Heritage and the Arts which are then paid to the Director of National Parks and are considered 'departmental' for all purposes.

### 1.3 BUDGET MEASURES

Budget measures relating to the Director of National Parks are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Agency 2008-09 Budget measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measures</b>					
Director of National Parks - extension	1.1				
Departmental outputs		4,432	-	-	-
<b>Total</b>		<b>4,432</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Prepared on a Government Financial Statistics (fiscal) basis**

This measure is for the continuation of budget supplementation for Kakadu National Park to replace revenue lost through the abolition of park entry fees in 2004.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the Director of National Parks (DNP) in achieving Government outcomes.

#### 2.1.1 Outcome 1: Conservation and appreciation of Commonwealth Reserves

##### Outcome 1 Strategy

Continue, within the limits of available resources, to systematically repair and replace essential park infrastructure and assets; control priority feral animal and weed species; provide for safe, inspirational and rewarding visitor experiences; train, develop and employ directly or indirectly local indigenous staff; provide safe workplaces; value and develop parks staff; manage resources efficiently and transparently; and work closely with key stakeholders, neighbours and partners to achieve shared objectives.

##### Outcome 1 Resource statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Outcome 1: Conservation and appreciation of Commonwealth reserves</b>		
<b>Output:</b>		
Revenues from Government	44,196	44,051
Revenues from other sources	11,824	12,118
Equity Injection	150	15,000
<b>Subtotal for Output 1</b>	<b>56,170</b>	<b>71,169</b>
<b>Total resources for Outcome 1</b>	<b>56,170</b>	<b>71,169</b>
	2008-09	2007-08
<b>Average staffing level (number)</b>	<b>258</b>	<b>273</b>

**Contributions to Outcome 1**

<b>Output 1.1: Parks and Reserves</b>	
<p>The management of nationally significant assets, including seven terrestrial reserves established under the EPBC Act, will result in the conservation and appreciation of natural and cultural values, including best-practice management of nationally significant assets, provision for appropriate recreation and tourism and better understanding of their values. Kakadu, Uluru-Kata Tjuta and Booderee National Parks are jointly managed with their Indigenous owners.</p>	
Key Performance Indicators	2008-09 Target
Natural values for which Commonwealth reserves were declared and/or recognised are maintained	Maintenance of viable populations of selected significant species
The impacts of threats to natural values of Commonwealth reserves are minimised	No net increase in distribution/abundance of significant invasive species
Cultural heritage values for which parks were declared or are recognised are protected and conserved	100% of key sites, as agreed with traditional owners, inspected and treated as required
Joint management, including; capacity and participation of traditional owners in park management in a positive and harmonious relationship	5% increase in numbers of Indigenous staff and/or contractors providing park services
Visitors to Commonwealth reserves enjoy inspirational, satisfying and safe experiences	Reduction in number of risks identified in Risk Watch Lists as 'extreme', 'very high' or 'high'  Greater than 80% of comments received from park users about their visit are positive
Stakeholders and partners are involved in contributing effectively to park management activities	Stakeholders and partners are actively involved during the year
Planning and decision-making is based on the best available information, legal obligations and Government and DNP policies	8 management plans and 4 implementation schedules in place  80% of management prescriptions in management plans subject to technical audits are completed
High quality, comprehensive and current information is available to the Australian community to facilitate and foster understanding	5% increase in website hits and publications accessed  Commonwealth reserves website re-developed and maintained to a high standard
Management regimes are adapted to respond to information about impacts of climate change and improved technologies for reducing greenhouse gas emission	3 parks with climate change strategies in place  3 actions implemented which reduce greenhouse gas emissions

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the Director of National Parks' (DNP) finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant to DNP.

#### **3.1.2 Movement of administered funds between years**

There are no movements of administered funds between years for DNP.

#### **3.1.3 Special Accounts**

There are no special accounts for DNP.

#### **3.1.4 Australian Government Indigenous Expenditure**

There is no Australian Government Indigenous Expenditure for DNP, although significant investments are made in training and employment of relevant indigenous people in jointly managed parks.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

#### **3.2.1 Analysis of budgeted financial statements**

Revenue from government is expected to increase in 2008-09 only due to the continuation of budget supplementation (\$4.4 million) for Kakadu National Park to replace revenue lost through the abolition of park entry fees in 2004. Funding for the rehabilitation of old uranium mines in Kakadu will increase by \$1.0 million in 2008-09 to \$2.1 million.

From 2009-10, total revenue is expected to decrease primarily due to the cessation of the supplementation for Kakadu National Park entry fees.

*Director of National Parks Budget Statements*

The decrease in goods and services revenue of \$1.7 million from 2007-08 to 2008-09 is due to some one-off project related revenue in 2007-08.

Employee expenses for DNP are expected to remain steady from 2007-08 to 2008-09 as expected labour rate increases are offset by a decrease in staff numbers. Employee expenses in 2009-10 are expected to decrease to absorb the drop in revenue from government.

Other income of \$3.9 million relates to the estimate of the cost of corporate services provided by the Department of the Environment, Water, Heritage and the Arts free of charge under a Memorandum of Understanding to DNP. Use of these services is also recognised as a supplier expense. The cost of these services was previously estimated at \$2.8 million.

### 3.2.2 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	44,051	44,196	40,168	37,689	37,035
Goods and services	12,595	10,920	10,920	10,020	10,020
Interest	654	450	450	450	450
Other	454	454	454	454	454
<b>Total revenue</b>	<b>57,754</b>	<b>56,020</b>	<b>51,992</b>	<b>48,613</b>	<b>47,959</b>
<b>Gains</b>					
Other	3,900	3,900	3,900	3,900	3,900
<b>Total gains</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>
<b>Total income</b>	<b>61,654</b>	<b>59,920</b>	<b>55,892</b>	<b>52,513</b>	<b>51,859</b>
<b>EXPENSE</b>					
Employees	24,699	24,316	22,996	23,376	23,737
Suppliers	29,197	26,718	23,995	20,236	19,221
Depreciation and amortisation	8,700	8,700	8,715	8,715	8,715
Other	186	186	186	186	186
<b>Total expenses</b>	<b>62,782</b>	<b>59,920</b>	<b>55,892</b>	<b>52,513</b>	<b>51,859</b>
<b>Surplus (Deficit) before income tax</b>	<b>(1,128)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>					
<b>Surplus/(Deficit)</b>	<b>(1,128)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(1,128)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	10,730	10,830	10,945	11,060	11,175
Trade and other Receivables	1,214	1,214	1,214	1,214	1,214
Other	84	84	84	84	84
<b>Total financial assets</b>	<b>12,028</b>	<b>12,128</b>	<b>12,243</b>	<b>12,358</b>	<b>12,473</b>
<b>Non-financial assets</b>					
Land and buildings	64,884	64,384	63,884	63,384	62,884
Infrastructure, plant and equipment	93,702	94,352	94,837	95,322	95,807
Intangibles	2	2	2	2	2
Other	390	390	390	390	390
<b>Total non-financial assets</b>	<b>158,978</b>	<b>159,128</b>	<b>159,113</b>	<b>159,098</b>	<b>159,083</b>
<b>Total assets</b>	<b>171,006</b>	<b>171,256</b>	<b>171,356</b>	<b>171,456</b>	<b>171,556</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	5,690	5,790	5,890	5,990	6,090
<b>Total provisions</b>	<b>5,690</b>	<b>5,790</b>	<b>5,890</b>	<b>5,990</b>	<b>6,090</b>
<b>Payables</b>					
Suppliers	2,375	2,375	2,375	2,375	2,375
Other	500	500	500	500	500
<b>Total payables</b>	<b>2,875</b>	<b>2,875</b>	<b>2,875</b>	<b>2,875</b>	<b>2,875</b>
<b>Total liabilities</b>	<b>8,565</b>	<b>8,665</b>	<b>8,765</b>	<b>8,865</b>	<b>8,965</b>
<b>Net assets</b>	<b>162,441</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	30,821	30,971	30,971	30,971	30,971
Reserves	64,585	64,585	64,585	64,585	64,585
Retained surpluses or accumulated deficits	67,035	67,035	67,035	67,035	67,035
<b>Total parent entity interest</b>	<b>162,441</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>
<b>Total equity</b>	<b>162,441</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>	<b>162,591</b>
<b>Current assets</b>	<b>12,418</b>	<b>12,518</b>	<b>12,633</b>	<b>12,748</b>	<b>12,863</b>
<b>Non-current assets</b>	<b>158,588</b>	<b>158,738</b>	<b>158,723</b>	<b>158,708</b>	<b>158,693</b>
<b>Current liabilities</b>	<b>4,480</b>	<b>4,517</b>	<b>4,554</b>	<b>4,591</b>	<b>4,628</b>
<b>Non-current liabilities</b>	<b>4,085</b>	<b>4,148</b>	<b>4,211</b>	<b>4,274</b>	<b>4,337</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	11,010	10,920	10,920	10,020	10,020
Revenues from Government	44,051	44,196	40,168	37,689	37,035
Interest	654	450	450	450	450
Other	454	454	454	454	454
<b>Total cash received</b>	<b>56,169</b>	<b>56,020</b>	<b>51,992</b>	<b>48,613</b>	<b>47,959</b>
<b>Cash used</b>					
Employees	24,599	24,216	22,896	23,276	23,637
Suppliers	25,297	22,818	20,095	16,336	15,321
Other	186	186	186	186	186
<b>Total cash used</b>	<b>50,082</b>	<b>47,220</b>	<b>43,177</b>	<b>39,798</b>	<b>39,144</b>
<b>Net cash from or (used by) operating activities</b>	<b>6,087</b>	<b>8,800</b>	<b>8,815</b>	<b>8,815</b>	<b>8,815</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	28,175	8,850	8,700	8,700	8,700
<b>Total cash used</b>	<b>28,175</b>	<b>8,850</b>	<b>8,700</b>	<b>8,700</b>	<b>8,700</b>
<b>Net cash from or (used by) investing activities</b>	<b>(28,175)</b>	<b>(8,850)</b>	<b>(8,700)</b>	<b>(8,700)</b>	<b>(8,700)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	15,000	150	-	-	-
<b>Total cash received</b>	<b>15,000</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>15,000</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>-7,088</b>	<b>100</b>	<b>115</b>	<b>115</b>	<b>115</b>
Cash at the beginning of the reporting period	17,818	10,730	10,830	10,945	11,060
<b>Cash at the end of the reporting period</b>	<b>10,730</b>	<b>10,830</b>	<b>10,945</b>	<b>11,060</b>	<b>11,175</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008-09)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	67,035	64,585	-	30,821	162,441
<b>Adjusted opening balance</b>	67,035	64,585	-	30,821	162,441
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	150	150
<b>Sub-total transactions with owners</b>	-	-	-	150	150
<b>Estimated closing balance as at 30 June 2009</b>	67,035	64,585	-	30,971	162,591

Prepared on Australian Accounting Standards basis.

# **Great Barrier Reef Marine Park Authority**

## **Agency resources and planned performance**



# GREAT BARRIER REEF MARINE PARK AUTHORITY

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# GREAT BARRIER REEF MARINE PARK AUTHORITY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

Under the *Great Barrier Reef Marine Park Act 1975*, the Great Barrier Reef Marine Park Authority (the Authority) is responsible for managing one of the world's premier natural resources through the control, care and development of the Great Barrier Reef Marine Park. Protection and conservation of the environment, especially those aspects that are matters of national environmental significance is a major aim of the Government.

The Authority aims to ensure that valuable tourist and commercial fishing industries within the Great Barrier Reef catchment area, worth respectively, approximately \$6 billion per annum and \$251 million per annum to the Australian economy, and other important uses such as ports and shipping, research, and cultural and recreational activities continue to operate on an ecologically sustainable basis.

The working relationship between the Authority and the Queensland Government and various Queensland and Australian Government agencies is of critical importance for effective management of the Great Barrier Reef and consequently will continue to be afforded high priority by the Authority Board and the Executive. In particular, the Field Management Programme, a jointly funded co-operative partnership between the Australian Government and the State of Queensland, co-ordinates the routine day to day activities and field operations required for the management of the Great Barrier Reef Marine Park, the associated Queensland Marine Park and World Heritage Area.

In carrying out its functions, the Authority will maintain strong partnerships with a wide range of agencies, stakeholders, and community members with an interest in the protection, wise use, understanding and enjoyment of the Great Barrier Reef.

The Authority has a strong interest in promoting sustainable use of the coast and catchments adjacent to the Great Barrier Reef.

The Authority is required by legislation to produce a five yearly Outlook Report for the Great Barrier Reef Region. This will provide a regular, reliable means of assessing performance in the long term protection of the Great Barrier Reef in an accountable, transparent manner. The first Outlook Report is due to the Minister by 30 June 2009.

In 2008-09 the Authority will be responsible in part to deliver outcomes in relation to the Reef Rescue Plan. The \$200 million Great Barrier Reef Rescue Plan is designed to

help secure the Reef from climate change and declining water quality. As a part of the plan, the Authority will coordinate monitoring of the quality of water in the Great Barrier Reef Lagoon and will facilitate the expansion of Traditional Use of Marine Resources Agreements across the Great Barrier Reef catchment. The development of a Land and Sea Country Indigenous Partnerships Program will strengthen communications between local communities, managers and reef stakeholders and build a better understanding of Traditional Owner issues relating to the management of the Great Barrier Reef Marine Park.

## **1.2 AGENCY RESOURCE STATEMENT**

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

The total appropriation for the Authority in the 2008–09 Budget is \$29.5 million. This comprises of \$20.5 million departmental output appropriation, \$8.2 million special appropriation, \$0.05 million departmental equity injection and \$0.8 million administered annual appropriation. The special appropriation reflects the amount of environmental management charge collected from visitors to the Great Barrier Reef Marine Park and holders of chargeable permissions within the Great Barrier Reef Marine Park.

**Table 1.1: Great Barrier Reef Marine Park Authority resource statement — Budget estimates for 2008-09 as at Budget May 2008**

	Estimate of prior <sup>+</sup> year amounts available in 2008-09 \$'000	Proposed at Budget <sup>=</sup> 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	7,030 <sup>4</sup>	20,480 <sup>1</sup>	27,510	21,417
s31 Relevant agency receipts	-	4,870 <sup>3</sup>	4,870	8,226
<b>Total</b>	<b>7,030</b>	<b>25,350</b>	<b>32,380</b> <sup>5</sup>	<b>29,643</b>
<b>Administered expenses</b>				
Outcome 1	-	800	800	700
<b>Total</b>	-	<b>800</b>	<b>800</b>	<b>700</b>
<b>Total ordinary annual services</b>	<b>A 7,030</b>	<b>26,150</b>	<b>33,180</b>	<b>30,343</b>
<b>Other services</b>				
<b>Administered expenses</b>	-	-	-	-
<b>Departmental non-operating</b>				
Equity injections	-	45 <sup>2</sup>	45	1,145
<b>Total</b>	-	<b>45</b>	<b>45</b>	<b>1,145</b>
<b>Administered non-operating</b>	-	-	-	-
<b>Total other services</b>	<b>B -</b>	<b>45</b>	<b>45</b>	<b>1,145</b>
<b>Total Available Annual Appropriations</b>	<b>7,030</b>	<b>26,195</b>	<b>33,225</b>	<b>31,488</b>
<b>Special Appropriations</b>				
<b>Special Appropriations limited by amount</b>				
Special Appropriation: Great Barrier Reef Marine Park Act	650	8,200	8,850	7,950
<b>Total Special Appropriations</b>	<b>C 650</b>	<b>8,200</b>	<b>8,850</b>	<b>7,950</b>
<b>Total Appropriations excluding Special Accounts</b>	<b>7,680</b>	<b>34,395</b>	<b>42,075</b>	<b>39,438</b>
<b>Special Accounts</b>				
Non-Appropriation receipts to Special Accounts	-	8,438	8,438	8,292
<b>Total Special Account</b>	<b>D -</b>	<b>8,438</b>	<b>8,438</b>	<b>8,292</b>
<b>Total resourcing</b> A+B+C+D	<b>7,680</b>	<b>42,833</b>	<b>50,513</b>	<b>47,730</b>
<b>Total net resourcing for Great Barrier Reef Marine Park Authority</b>	<b>7,680</b>	<b>42,833</b>	<b>50,513</b>	<b>47,730</b>

<sup>1</sup> Appropriation Bill (No.1) 2008-09<sup>2</sup> Appropriation Bill (No.2) 2008-09<sup>3</sup> s31 Relevant Agency receipts - estimate<sup>4</sup> Estimated adjusted balance carried from previous year for Annual Appropriations<sup>5</sup> The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the Outcome Budgets, for the reconciliation see Table 3.1.1 Reconciliation of Total Available Appropriation and Outcome Budgets

Reader note: All figures are GST exclusive.

**Third Party Drawdowns from and on behalf of other agencies**

There are no third party drawdowns from and on behalf of other agencies for the Authority.

**1.3 BUDGET MEASURES**

There are no Budget measures for the Authority in 2008-09.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups, which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of Great Barrier Reef Marine Park Authority (the Authority) in achieving government outcomes.

#### **2.1.1 Outcome 1: Protection, wise use, understanding and enjoyment of the Great Barrier Reef**

##### **Outcome 1 Strategy**

The Authority works to achieve Outcome 1 through the implementation of legislative measures set out in the *Great Barrier Reef Marine Park Authority Act 1975*, by operating within the statutory framework of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and by complying with other legislation under Commonwealth and Queensland State law, together with international conventions.

The Authority in consultation with the rest of the Environment, Water, Heritage and the Arts Portfolio ensures that its policies and decisions align with national strategies, policies and Australian Government priorities. The Authority is one of the key agencies involved in the implementation of the Reef Rescue Plan.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Protection, wise use, understanding and enjoyment of the Great Barrier Reef</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.1: Marine Park Sectoral Policy Development</b>			
Administered Items			
COAG National Climate Change Adaptation Framework	B1	800	700
Departmental Outputs	B1	5,539	4,154
Revenues from other sources (s.31)		2,018	4,458
<b>Subtotal for Output Group 1.1</b>		<b>8,357</b>	<b>9,312</b>
<b>Output Group 1.2: Marine Park Management</b>			
Departmental Outputs	B1	17,281	17,586
Revenues from other sources (s.31)		336	858
Special Accounts			
Great Barrier Reef Field Management Special Account			
Opening balance		-	-
Appropriation receipts		-	-
Non-Appropriation receipts to Special Accounts		8,438	8,292
<b>Subtotal for Output Group 1.2</b>		<b>26,055</b>	<b>26,736</b>
<b>Output Group 1.3: Strategic Policy and Co-ordination</b>			
Departmental Outputs	B1	5,859	7,627
Revenues from other sources (s.31)		2,517	2,910
<b>Subtotal for Output Group 1.3</b>		<b>8,376</b>	<b>10,537</b>
<b>Total resources for Outcome 1</b>		<b>42,788</b>	<b>46,585</b>
		2008-09	2007-08
<b>Average staffing level (number)</b>		219	207

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

<b>Output Group 1.1: Marine Park Care and Development</b>	
<p>The care and development of the Great Barrier Reef Marine Park is achieved through specific policies that allow ecologically sustainable uses. Wherever possible those policies are developed collaboratively with major stakeholders, particularly through collaborative arrangements with Queensland, indigenous partnerships, and industry and community groups.</p> <p>Components of Output Group 1.1:</p> <p><b>Administered Items:</b></p> <ul style="list-style-type: none"> <li>• COAG National Climate Change Adaptation Framework</li> </ul> <p>The Great Barrier Reef Climate Change Action Plan will be implemented over five years (2007–2012) as part of the COAG National Climate Change Adaptation Framework. Implementation of the Action Plan will help maximise the resilience of the Great Barrier Reef to climate change through protecting biodiversity, improving water quality and reducing other pressures.</p> <p><b>Departmental Outputs:</b></p> <ul style="list-style-type: none"> <li>• Ensuring conditions are suitable for recovery of marine species and habitats and prevention of further declines.</li> <li>• Meeting heritage obligations under the World Heritage Convention and the EPBC Act, ensuring effective sea country management, taking into account Traditional Owner aspirations.</li> <li>• Improving water quality in the Great Barrier Reef to ensure that the Great Barrier Reef Marine Park continues to support its diversity of species and habitats, and maintains its ecological integrity and resilience.</li> <li>• Ensuring progress towards ecologically sustainable fisheries to address sustainability of target species, non-target species and the ecosystems on which they depend in a whole of ecosystem approach.</li> <li>• Developing a greater understanding of the impacts of climate change on the Great Barrier Reef.</li> <li>• Developing responses to climate change which increase the resilience of the ecosystem and which assists management, industries and communities to adapt.</li> </ul>	
Key Performance Indicators	2008-09 Target
Positive biodiversity conservation outcomes for dugong, marine turtles, whales, dolphins, sharks	Population estimates of dugongs and marine turtles show populations are stable or recovering
Heritage obligations under the World Heritage Convention and EPBC Act are fulfilled	Heritage Strategy reviewed
Extent and effectiveness of land and sea country partnerships with Traditional Owners	Indigenous component of the Reef Rescue Plan is in place
Effectiveness of partnerships that work towards sustainable fishing and collecting	A new co-operative inter agency framework for Management of fishing in the GBR, in partnership with Queensland and Commonwealth Agencies in place
Effectiveness of monitoring and reporting on water quality and ecosystem health	Quality assured monitoring in place in accordance with requirements of the Reef Rescue Plan

<b>Output Group 1.1: Marine Park Care and Development</b>	
Extent of implementation of the Great Barrier Reef Climate Change Action Plan	Public reports indicate programs and partnerships in place and operating effectively for all elements of the Plan
Amount of external expert engagement in sectoral policy development	Four Reef Advisory Committees in place meeting a minimum of twice per annum

<b>Output Group 1.2: Marine Park Management</b>	
<p>Implementation of Marine Park Management through planning, environmental impact assessment, compliance and enforcement activities and the engagement of regional communities and partnerships in the management activities.</p> <p>Components of Output Group 1.2:</p> <p><b>Departmental Outputs:</b></p> <ul style="list-style-type: none"> <li>• Ensuring compliance with the <i>Great Barrier Reef Marine Park Act</i>, <i>State Marine Parks Act</i>, <i>Nature Conservation Act</i> and subordinate regulations related to net, line and trawl fisheries, dugong protection, zoning plan (especially Marine National Park and Preservation Zones), and emerging compliance issues to prevent serious environmental harm.</li> <li>• Enabling protection works and activities directly related to vulnerable species and their habitat protection.</li> <li>• Providing essential facilities, information products/services and permits management activities for the protection and presentation of key high visitor use sites to prevent environmental harm and to provide for public use and information.</li> <li>• Implementing Indigenous co-management programmes when agreed by the Board.</li> <li>• Providing impact assessment and permitting arrangements to manage the environmental impacts of specific activities and through development of site plans or plans of management for high priority areas.</li> <li>• Ensuring sustainable, diverse and high quality tourism and recreation opportunities continue to be provided in the Great Barrier Reef Marine Park.</li> <li>• Providing leadership, brokering partnerships and sharing knowledge with the community to foster stewardship of the Great Barrier Reef Marine Park.</li> <li>• Ensuring co-operative, effective and sustainable relationships are established with stakeholders and communities, which influence perceptions of the values of the Great Barrier Reef Marine Park, and promote appropriate behaviours among users of the Park.</li> </ul>	
Key Performance Indicators	2008-09 Target
Effectiveness of compliance	Compliance activity undertaken in accordance with risk profiles
Effectiveness of planning	Zoning plans, plans of management and site management arrangements in place and monitored or adjusted as necessary

*Great Barrier Reef Marine Park Authority Budget Statements*

<b>Output Group 1.2: Marine Park Management</b>	
Effectiveness of impact assessment and permitting arrangements	600 permit assessments completed including impact assessments for all significant proposals in the Great Barrier Reef Marine Park
Uptake of the Authority's certification program for tourist operators with high environmental standards	40% of tourists to the Great Barrier Reef are carried on operations certified to high environmental standards
Extent of local communities engagement in management of the Great Barrier Reef	11 local marine advisory committees functional and meeting 6 times per year

<b>Output Group 1.3: Strategic Policy Co-ordination</b>	
<p>The development and strategic alignment of policy with Commonwealth government priorities and objectives that are underpinned by best available knowledge and are disseminated to the community.</p> <p>Components of Output Group 1.3:</p> <p><b>Departmental Outputs:</b></p> <ul style="list-style-type: none"> <li>• Providing a regular assessment (Outlook Report) of the Great Barrier Reef and its future that will guide management.</li> <li>• Provision of timely and effective advice to government.</li> <li>• Ensuring the development of the Authority's policies concur with Government priorities and objectives.</li> <li>• Generating, capturing and delivering the best available science, technology and information to underpin the Authority's policies, decisions and programs.</li> <li>• Providing effective Reef education, communication and interpretive programs.</li> </ul>	
Key Performance Indicators	2008-09 Target
First five yearly Outlook Report produced	Outlook report with Minister by June 2009
Advice, briefing and support to the Minister on policy issues relating to the management of the Great Barrier Reef Marine Park	Provision of quality and timely policy advice
Effectiveness of research, monitoring and other information required to underpin policy development	Research by key providers is focussed on the key pressures facing the Great Barrier Reef
Reef HQ visitation levels	Reef HQ visitation exceeds 118,000 visitors
Reach and effectiveness of Great Barrier Reef education programs	110 Reef Guardian Schools in place



## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	41,230
Less estimated payments in 2008-09	33,550
<b>Estimated departmental outputs carried forward and available for 2009-10</b>	<b>7,680</b>

Total available departmental operating appropriation does not include the \$0.045 million equity injection or the \$8.438 million Queensland government contribution deposited into the special account (see Table 3.1.3).

### 3.1.2 Movement of administered funds between years

There are no movement of administered funds between years for the Great Barrier Reef Marine Park (the Authority).

### 3.1.3 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by the Authority.

Under the Great Barrier Reef Marine Park Amendment Bill 2007, the Authority is subject to the *Financial Management and Accountability Act 1997* and operates the Great Barrier Reef Field Management Account.

**Table 3.1.3: Estimates of Special Account cash flows and balances**

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Great Barrier Reef Field Management Special Account (D)	1	-	<b>8,438</b>	<b>8,438</b>	-	-
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		-	<b>8,438</b>	<b>8,438</b>	-	-
Total special accounts 2007-08 estimate actual		-	8,292	8,292	-	-

(D) = Departmental

### 3.1.4 Australian Government Indigenous Expenditure

Land and Sea Country Indigenous Partnerships Program (part of the Reef Rescue Plan) will contribute \$5.0 million over five years in a Land and Sea Country Indigenous Partnerships Program to strengthen communications between local communities, managers and reef stakeholders and build a better understanding of Traditional Owner issues about the management of the Great Barrier Reef Marine Park. An additional \$5.0 million over five years will also be invested to allow for the expansion of the Traditional Use of Marine Resource Agreements across the Great Barrier Reef Catchment.

The Authority also is engaged in ensuring effective sea country management is undertaken in accordance with Traditional Owner aspirations.

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Great Barrier Reef Marine Park Authority Outcome 1</b>						
Administered 2008-09	-	-	-	-	-	-	
<i>Administered 2007-08</i>	-	-	-	-	-	-	
Departmental 2008-09	1,500	-	-	1,500	2,000	3,500	1.1
<i>Departmental 2007-08</i>	<i>1,500</i>	-	-	<i>1,500</i>	-	<i>1,500</i>	<i>1.1</i>
Total Outcome 2008-09	1,500	-	-	1,500	2,000	3,500	1.1
<i>Total Outcome 2007-08</i>	<i>1,500</i>	-	-	<i>1,500</i>	-	<i>1,500</i>	<i>1.1</i>
<hr/>							
Total Administered 2008-09	-	-	-	-	-	-	
<i>Total Administered 2007-08</i>	-	-	-	-	-	-	
<hr/>							
Total Departmental 2008-09	1,500	-	-	1,500	2,000	3,500	1.1
<i>Total Departmental 2007-08</i>	<i>1,500</i>	-	-	<i>1,500</i>	-	<i>1,500</i>	<i>1.1</i>
<hr/>							
<b>Total AGIE 2008-09</b>	<b>1,500</b>	-	-	<b>1,500</b>	<b>2,000</b>	<b>3,500</b>	<b>1.1</b>
<i>Total AGIE 2007-08</i>	<i>1,500</i>	-	-	<i>1,500</i>	-	<i>1,500</i>	<i>1.1</i>

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Analysis of budgeted financial statements

This statement shows the estimated revenues and expenses for the Authority. The Authority has budgeted for a break even operating result for 2008-09. Total revenue and expenses in 2008-09 are estimated to be \$42.0 million, a decrease of \$3.9 million from the 2007-08 estimated actual.

### 3.2.2 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	29,367	28,680	28,039	28,147	28,543
Goods and services	3,585	2,870	2,870	2,870	2,870
Other	12,933	10,438	10,084	10,084	10,084
<b>Total revenue</b>	<b>45,885</b>	<b>41,988</b>	<b>40,993</b>	<b>41,101</b>	<b>41,497</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>45,885</b>	<b>41,988</b>	<b>40,993</b>	<b>41,101</b>	<b>41,497</b>
<b>EXPENSE</b>					
Employees	17,116	17,329	17,429	17,616	17,906
Suppliers	15,738	11,336	10,580	10,501	10,607
Depreciation and amortisation	1,061	1,161	1,130	1,130	1,130
Other	11,970	12,162	11,854	11,854	11,854
<b>Total expenses</b>	<b>45,885</b>	<b>41,988</b>	<b>40,993</b>	<b>41,101</b>	<b>41,497</b>
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	374	360	389	369	399
Trade and other Receivables	9,828	10,218	10,950	11,731	12,442
Other	45	45	45	45	45
<b>Total financial assets</b>	<b>10,247</b>	<b>10,623</b>	<b>11,384</b>	<b>12,145</b>	<b>12,886</b>
<b>Non-financial assets</b>					
Land and buildings	16,474	16,056	15,638	15,220	14,802
Infrastructure, plant and equipment	2,936	2,889	2,862	2,835	2,808
Inventories	84	84	84	84	84
Intangibles	1,226	1,550	1,454	1,358	1,262
Other	153	153	153	153	153
<b>Total non-financial assets</b>	<b>20,873</b>	<b>20,732</b>	<b>20,191</b>	<b>19,650</b>	<b>19,109</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>31,120</b>	<b>31,355</b>	<b>31,575</b>	<b>31,795</b>	<b>31,995</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	4,005	4,205	4,405	4,605	4,805
Other	90	90	90	90	90
<b>Total provisions</b>	<b>4,095</b>	<b>4,295</b>	<b>4,495</b>	<b>4,695</b>	<b>4,895</b>
<b>Payables</b>					
Suppliers	1,200	1,200	1,200	1,200	1,200
Other	1,920	1,910	1,910	1,910	1,910
<b>Total payables</b>	<b>3,120</b>	<b>3,110</b>	<b>3,110</b>	<b>3,110</b>	<b>3,110</b>
<b>Total liabilities</b>	<b>7,215</b>	<b>7,405</b>	<b>7,605</b>	<b>7,805</b>	<b>8,005</b>
<b>Net assets</b>	<b>23,905</b>	<b>23,950</b>	<b>23,970</b>	<b>23,990</b>	<b>23,990</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	5,708	5,753	5,773	5,793	5,793
Reserves	20,084	20,084	20,084	20,084	20,084
Retained surpluses or accumulated deficits	(1,887)	(1,887)	(1,887)	(1,887)	(1,887)
<b>Total parent entity interest</b>	<b>23,905</b>	<b>23,950</b>	<b>23,970</b>	<b>23,990</b>	<b>23,990</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>23,905</b>	<b>23,950</b>	<b>23,970</b>	<b>23,990</b>	<b>23,990</b>
<b>Current assets</b>	<b>10,484</b>	<b>10,860</b>	<b>11,621</b>	<b>12,382</b>	<b>13,123</b>
<b>Non-current assets</b>	<b>20,636</b>	<b>20,495</b>	<b>19,954</b>	<b>19,413</b>	<b>18,872</b>
<b>Current liabilities</b>	<b>6,791</b>	<b>6,975</b>	<b>7,165</b>	<b>7,355</b>	<b>7,545</b>
<b>Non-current liabilities</b>	<b>424</b>	<b>430</b>	<b>440</b>	<b>450</b>	<b>460</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	3,585	2,870	2,870	2,870	2,870
Appropriations	29,367	28,680	28,039	28,147	28,543
Other	13,633	10,438	10,084	10,084	10,084
<b>Total cash received</b>	<b>46,585</b>	<b>41,988</b>	<b>40,993</b>	<b>41,101</b>	<b>41,497</b>
<b>Cash used</b>					
Employees	16,916	17,129	17,229	17,416	17,706
Suppliers	15,738	11,336	10,581	10,501	10,607
Other	12,490	13,062	12,654	12,704	12,654
<b>Total cash used</b>	<b>45,144</b>	<b>41,527</b>	<b>40,464</b>	<b>40,621</b>	<b>40,967</b>
<b>Net cash from or (used by) operating activities</b>	<b>1,441</b>	<b>461</b>	<b>529</b>	<b>480</b>	<b>530</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	2,100	520	520	520	520
<b>Total cash used</b>	<b>2,100</b>	<b>520</b>	<b>520</b>	<b>520</b>	<b>520</b>
<b>Net cash from or (used by) investing activities</b>	<b>(2,100)</b>	<b>(520)</b>	<b>(520)</b>	<b>(520)</b>	<b>(520)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	1,145	45	20	20	20
<b>Total cash received</b>	<b>1,145</b>	<b>45</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>1,145</b>	<b>45</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Net increase or (decrease) in cash held</b>	<b>486</b>	<b>-14</b>	<b>29</b>	<b>-20</b>	<b>30</b>
Cash at the beginning of the reporting period	(112)	374	360	389	369
<b>Cash at the end of the reporting period</b>	<b>374</b>	<b>360</b>	<b>389</b>	<b>369</b>	<b>399</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	(1,887)	11,508	8,576	5,708	23,905
<b>Adjusted opening balance</b>	(1,887)	11,508	8,576	5,708	23,905
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	45	45
<b>Sub-total transactions with owners</b>	-	-	-	45	45
<b>Estimated closing balance as at 30 June 2009</b>	(1,887)	11,508	8,576	5,753	23,950

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Revenue					
Taxation					
<i>Total taxation</i>	-	-	-	-	-
Non-taxation					
<i>Total non-taxation</i>	-	-	-	-	-
<b>Total revenues administered on behalf of Government</b>	-	-	-	-	-
Gains					
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	700	800	900	900	900
<b>Total expenses administered on behalf of Government</b>	700	800	900	900	900

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

The Authority has no assets and liabilities administered on behalf of Government.

**Table 3.2.7: Schedule of budgeted administered cash flows  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
<i>Total cash received</i>	-	-	-	-	-
<b>Cash used</b>					
Grant payments	700	800	900	900	900
<i>Total cash used</i>	700	800	900	900	900
<b>Net cash from or (used by) operating activities</b>	(700)	(800)	(900)	(900)	(900)
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<i>Total cash received</i>	-	-	-	-	-
<b>Cash used</b>					
<i>Total cash used</i>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<i>Total cash received</i>	-	-	-	-	-
<b>Cash used</b>					
<i>Total cash used</i>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>					
Cash from Official Public Account for:					
- appropriations	700	800	900	900	900
<b>Cash at end of reporting period</b>	-	-	-	-	-
Prepared on Australian Accounting Standards basis.					



# **Sydney Harbour Federation Trust**

## **Agency resources and planned performance**



# SYDNEY HARBOUR FEDERATION TRUST

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# SYDNEY HARBOUR FEDERATION TRUST

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The Sydney Harbour Federation Trust (SHFT) is planning and managing eight former Defence sites on Sydney Harbour. These sites are the former Defence lands at Middle Head-Georges Head and Chowder Bay in Mosman; the North Head former School of Artillery; Macquarie Lightstation near South Head; Woolwich Dock and Parklands; Cockatoo and Snapper Islands; and the former Marine Biological Station at Watsons Bay. Its objectives are to return them to the people of Australia, maximise public access, retain, conserve and interpret the natural and cultural heritage and enhance Sydney Harbour.

The SHFT is committed to delivering the vision of “providing a lasting legacy for the people of Australia by helping to create one of the finest foreshore parks in the world and provide places that will greatly enrich the cultural life of the city and the nation”. In doing so, the SHFT is adaptively reusing heritage buildings to bring life and activity to these harbour foreshores and at the same time, generating revenue for the ongoing operation and maintenance of the sites.

The SHFT has been extended until 19 September 2033; the extension reflected widespread requests from the community. Over its life, the SHFT has moved from predominantly a community consultation and planning agency to a rehabilitation of lands and buildings agency. As the building and open space works are completed, the SHFT’s emphasis will focus on land and building management to ensure the lands are *“conserved and enhanced for the benefit of present and future generations of Australians”*.

The SHFT is progressing well with its plans and from a works perspective is approximately half way through the remediation and rehabilitation of the lands and buildings for which it is responsible. The SHFT’s Commonwealth funding for operating expenditure ceases this fiscal year. The SHFT has accumulated surpluses on which it may need to draw to meet its operating expenses until it can generate sufficient leasing revenue from buildings.

*Sydney Harbour Federation Trust Budget Statements*

On the extension of the SHFT to 2033, the SHFT undertook a strategic review and identified a number of strategic objectives for the coming years. These objectives include :

- to achieve revenue of \$8.4 million in 2008–09 and to grow this revenue to over \$11.5 million by 2010–11; and
- to reduce operating expenditure by \$2.0 million in 2008–09 and to sustain this reduction.

In 2008–09 the SHFT will focus on site and building rehabilitation and is proposing significant expenditure on decontamination, enhancement of the public access to the harbour, and building refurbishment which will enable significant areas to be opened for public access and also provide increased revenue for future years. These works have a forecast project expenditure of \$30.0 million in 2008–09.

It is anticipated that the Georges Heights, Woolwich and Chowder Bay sites will be completed in 2008–09. The sites at Middle Head will be commenced in 2008–09 (for completion in 2010) and work on the North Head site will be significantly increased in 2008–09. Much of Cockatoo Island, the SHFT's most complex site, has been decontaminated and considerable portions of the island are now accessible to the public. During 2008–09 the SHFT will be undertaking significant works associated with the convict heritage of Cockatoo Island and preparing the site for World Heritage listing consideration.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Sydney Harbour Federation Trust resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>37,188</b>	-	<b>37,188</b>	-
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	<b>24</b>	<b>24</b>	566
<b>Total ordinary annual services</b>	<b>37,188</b>	<b>24</b>	<b>37,212</b>	<b>566</b>
<b>Other services</b>				
<i>Non-Operating</i>	-	<b>22,000</b>	22,000	22,000
<b>Total other services</b>	-	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>
<b>Total Annual Appropriations</b>	<b>37,188</b>	<b>22,024</b>	<b>59,212</b>	<b>22,566</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	2,080	2,080	2,410
<i>Rents</i>	-	6,702	6,702	5,455
<i>Sale of goods and services</i>	-	150	150	138
<i>Other</i>	-	-	-	1,590
<b>Total</b>	-	<b>8,932</b>	<b>8,932</b>	<b>9,593</b>
<b>Total net resourcing for the SHFT</b>	<b>37,188</b>	<b>30,956</b>	<b>68,144</b>	<b>32,159</b>

All figures are GST exclusive

The SHFT is not directly appropriated as it is a CAC Act body. Appropriations are made to DEWHA which are then paid directly to the SHFT and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

## 1.3 BUDGET MEASURES

There are no Budget measures relating to the SHFT in 2008-09.



## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the Sydney Harbour Federation Trust (SHFT) in achieving government outcomes.

#### **2.1.1 Outcome 1: Delivery of SHFT's Comprehensive Plan**

##### **Outcome 1 Strategy**

This outcome contributes to the Department of the Environment, Water, Heritage and the Arts' Outcome 1 - 'the environment, especially those aspects that are matters of national environmental significance, is protected and conserved'.

In 2008-09 the SHFT will focus on site and building rehabilitation and is proposing significant expenditure on decontamination, enhancement of public access to the harbour and building refurbishment which will enable significant areas to be opened for public access and provide revenue for future years. These works have a forecast capital expenditure of \$30.0 million in 2008-09.



## Contributions to Outcome 1

<b>Output 1.1: Trust plans</b>	
<p>The Sydney Harbour Federation Trust (SHFT) will consult with the public and prepare Management plans which have broad community support and are consistent with the SHFT's Comprehensive Plan. The SHFT must also assess proposals for new uses of SHFT lands.</p> <p>Components of Output Group 1.1:</p> <p>The SHFT will produce Management Plans for SHFT lands and will process proposals for new uses of SHFT lands in a timely manner.</p>	
Key Performance Indicators	2008-09 Target
Approval of management plans for incomplete sites	<p>Management plans are completed for the following three sites:</p> <ul style="list-style-type: none"> <li>• North Fort at North Head</li> <li>• Commandos at Georges Heights</li> <li>• Snapper island</li> </ul>
Update approved Management Plans to meet the amended <i>Environment Protection and Biodiversity Conservation Act 1999</i> requirements	Management Plans for all eleven approved sites are updated
Proposals for new uses on SHFT lands will be processed in a timely manner	All proposals for new uses will be processed within 30 working days of receipt by SHFT

<b>Output 1.2: Public Information</b>	
<p>The SHFT will inform the public of the environmental and heritage significance of SHFT lands and the opportunities for the public to access these lands.</p> <p>Components of Output Group 1.2</p> <p>The SHFT will ensure the public has access to and is informed of the environmental and heritage significance of the SHFT lands through publications, media, events and educational tours.</p>	
Key Performance Indicators	2008-09 Target
Provide information on the environmental and cultural history of SHFT's sites for visitors and the general public	<ul style="list-style-type: none"> <li>• production and distribution of a range of publications on the history and heritage of the SHFT lands including a revised corporate brochure</li> <li>• produce an informative booklet on the history of the defence of Sydney Harbour</li> <li>• produce a booklet on the life of Bungaree</li> <li>• produce audio tour guides for Cockatoo Island visitor use</li> </ul>
Achieve recognition of SHFT sites by positive media coverage	Achieve comparable or greater coverage in Sydney metropolitan and suburban media to 2007-08 coverage

*Sydney Harbour Federation Trust Budget Statements*

<b>Output 1.2: Public Information</b>	
Hold events on SHFT's sites to attract the Australian public	Hold at least one nationally recognised event attracting over 20,000 persons on one of the sites and over five local or regional events attracting over 1,000 persons at other sites
Ensure the public understands the significance of SHFT's sites in the context of the environmental and cultural history and heritage of Sydney Harbour	Continue the installation of interpretation facilities at Cockatoo island and Georges Heights  Continued development of the school education programs and have in excess of 6,500 children visit the sites as part of formal education programs
Increased visitors to SHFT's sites	Increase in overall visitor numbers for 2008-09 by at least 20% above numbers for the 2007-08 year

<b>Output 1.3: Site conservation</b>	
<p>The sites were largely derelict, contaminated and poorly serviced. They are progressively being rehabilitated, conserved and made publicly accessible.</p> <p>Components of Output Group 1.3: The SHFT lands are progressively rehabilitated, conserved and made publicly accessible.</p>	
Key Performance Indicators	2008-09 Target
Decontamination of sites to enable safe public access	<p>Decontaminate and make accessible to the public the following sites :</p> <ul style="list-style-type: none"> <li>• Commandos site Georges Heights</li> <li>• Horse paddock Woolwich</li> <li>• Northern and Eastern Aprons at Cockatoo Island and cliff top walk</li> </ul>
Demonstrate the principles of environmental and heritage conservation in SHFT's works	<ul style="list-style-type: none"> <li>• establish comprehensive stormwater harvesting system at Georges Heights</li> <li>• establish sanctuary at North Head to ensure long term conservation of significant ecosystems</li> <li>• progress the World Heritage listing for Cockatoo Island</li> <li>• enhance the commitment to Greenhouse Challenge Plus</li> </ul>
Provide public access to SHFT's lands	<ul style="list-style-type: none"> <li>• complete landscaping and provide public access to the Georges Heights lands</li> <li>• complete works on the Northern and Eastern apron park areas at Cockatoo Island including the camp ground</li> </ul>

<b>Output 1.3: Site conservation</b>	
	<ul style="list-style-type: none"> <li>• complete works on the Cockatoo island cliff top walkway</li> <li>• complete works on the Woolwich parking facility and the public amphitheatre</li> <li>• complete works on the car park at North Head</li> <li>• complete public safety projects at North Head, Georges Heights, Chowder Bay and make safe further areas on Cockatoo Island</li> </ul>
Rehabilitation of land, building, infrastructure and equipment is consistent with conservation, environmental, heritage and cultural values and relevant standards	Complete works for the decontamination of the public land areas at Woolwich, the Eastern apron of Cockatoo Island and the heritage gardens on the hilltop at Cockatoo Island

<b>Output 1.4: Enduring conservation, management and operation</b>	
<p>The sites are progressively being rehabilitated, conserved and made publicly accessible. The sites will provide "a lasting legacy for the people of Australia".</p> <p>Components of Output Group 1.4:</p> <p>The SHFT lands are conserved, managed and maintained for public access and adaptive reuse. The buildings and places are leased to fund the ongoing work of SHFT.</p>	
Key Performance Indicators	2008-09 Target
Cultural conservation and adaptive reuse of SHFT's buildings and sites	<ul style="list-style-type: none"> <li>• complete rehabilitation and adaptive reuse works of the former World War 1 hospital buildings and other structures at Georges Heights</li> <li>• complete the restoration works on the former Golf Club House at Middle Head</li> <li>• complete the restoration works on the support buildings precinct (former medical and printing buildings) at North Head</li> <li>• undertake the first stage restoration works on the convict courtyard at Cockatoo Island</li> </ul>
Meet all compliance and conformance requirements	SHFT lands, works and facilities meet workplace and public safety standards with the objective of zero non-compliant events
Continued preservation and maintenance of SHFT lands	<p>Long term asset management plans for the maintenance and asset renewal of the SHFT's assets are established</p> <p>Continuation of the bush regeneration program for North Head and Middle Head</p>

*Sydney Harbour Federation Trust Budget Statements*

<b>Output 1.4: Enduring conservation, management and operation</b>	
	<p>lands</p> <p>Undertake works to restore historical infrastructure and equipment – the HMAS Sydney, the 1920's crane base and the former electrical workshop on Cockatoo Island</p>
<p>Create one of the finest foreshore parks in the world and provide places that will greatly enrich the cultural life of the city and the nation</p>	<ul style="list-style-type: none"> <li>• ensure SHFT lands are available for public access to enjoy and understand the Sydney Harbour foreshore</li> <li>• continue to develop the role and deployment of Rangers to encourage and guide community access to SHFT lands</li> <li>• complete the establishment of the camp ground at Cockatoo Island and actively promote the location to domestic and international visitors</li> </ul>

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant to the Sydney Harbour Federation Trust (SHFT).

#### **3.1.2 Movement of administered funds between years**

There are no movements of administered funds for the SHFT.

#### **3.1.3 Special Accounts**

There are no special accounts for the SHFT.

#### **3.1.4 Australian Government Indigenous Expenditure**

The SHFT has no Australian Government Indigenous expenditure to report.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements.

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

##### **Income Statement**

The SHFT has budgeted for a break even operating result for 2008–09.

The SHFT's operating revenue from Government declines dramatically in 2008–09 and ceases in 2010–11. The reduction in operating revenue for 2008–09 is \$0.5 million. Revenues from property leasing are expected to increase by \$1.3 million.

Other revenue is reimbursement from Defence for remediation works completed under the Memorandum of Understanding with Defence.

**Balance Sheet**

The SHFT's major assets are the land and buildings, infrastructure, plant and equipment, heritage and cultural assets which the SHFT holds on behalf of the Commonwealth. The total value of land and buildings will increase to \$155.0 million in 2008-09 due to the capital works outlined in the site conservation output group. The increase in value is due to the capital cost of the SHFT's projected works program of \$30.0 million. From 2010-11 the value of the assets will reduce due to the cessation of capital works and depreciation based on current equity funding. Equity injections from Government are budgeted to cease in 2009-10.

Based on the current appropriation, payables will reduce as the capital works program winds down.

Other represents a leasing prepayment being amortised over the life of the lease.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	566	24	25	-	-
Goods and services	150	150	150	150	150
Interest	2,629	2,030	1,701	1,742	1,843
Rents	5,391	6,702	9,208	11,156	11,156
Other	1,590	-	-	-	-
<b>Total revenue</b>	<b>10,326</b>	<b>8,906</b>	<b>11,084</b>	<b>13,048</b>	<b>13,149</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>10,326</b>	<b>8,906</b>	<b>11,084</b>	<b>13,048</b>	<b>13,149</b>
<b>EXPENSE</b>					
Employees	5,406	5,220	5,995	6,720	6,922
Suppliers	6,932	2,661	4,073	5,338	5,268
Depreciation and amortisation	915	1,025	1,016	990	959
<b>Total expenses</b>	<b>13,253</b>	<b>8,906</b>	<b>11,084</b>	<b>13,048</b>	<b>13,149</b>
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(2,927)</b>	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	37,188	29,928	31,681	32,067	32,931
Trade and other Receivables	231	182	13	13	13
<b>Total financial assets</b>	<b>37,419</b>	<b>30,110</b>	<b>31,694</b>	<b>32,080</b>	<b>32,944</b>
<b>Non-financial assets</b>					
Land and buildings	134,500	155,338	165,702	164,787	163,872
Infrastructure, plant and equipment	1,385	1,600	1,707	1,707	1,707
Heritage and cultural assets	51,757	59,776	63,764	63,764	63,764
Inventories	66	66	66	66	66
Intangibles	18	18	18	18	18
Other	334	224	123	48	4
<b>Total non-financial assets</b>	<b>188,060</b>	<b>217,022</b>	<b>231,380</b>	<b>230,390</b>	<b>229,431</b>
Assets held for sale					
<b>Total assets</b>	<b>225,479</b>	<b>247,132</b>	<b>263,074</b>	<b>262,470</b>	<b>262,375</b>
<b>LIABILITIES</b>					
<b>Total interest bearing liabilities</b>					
	-	-	-	-	-
<b>Provisions</b>					
Employees	1,000	993	1,024	1,053	1,062
<b>Total provisions</b>	<b>1,000</b>	<b>993</b>	<b>1,024</b>	<b>1,053</b>	<b>1,062</b>
<b>Payables</b>					
Suppliers	1,714	1,472	981	446	440
Other	1,851	1,753	1,655	1,557	1,459
<b>Total payables</b>	<b>3,565</b>	<b>3,225</b>	<b>2,636</b>	<b>2,003</b>	<b>1,899</b>
<b>Total liabilities</b>	<b>4,565</b>	<b>4,218</b>	<b>3,660</b>	<b>3,056</b>	<b>2,961</b>
<b>Net assets</b>	<b>220,914</b>	<b>242,914</b>	<b>259,414</b>	<b>259,414</b>	<b>259,414</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	208,820	230,820	247,320	247,320	247,320
Reserves	6,868	6,868	6,868	6,868	6,868
Retained surpluses or accumulated deficits	5,226	5,226	5,226	5,226	5,226
<b>Total parent entity interest</b>	<b>220,914</b>	<b>242,914</b>	<b>259,414</b>	<b>259,414</b>	<b>259,414</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>220,914</b>	<b>242,914</b>	<b>259,414</b>	<b>259,414</b>	<b>259,414</b>
<b>Current assets</b>	<b>37,485</b>	<b>30,176</b>	<b>31,760</b>	<b>32,146</b>	<b>33,010</b>
<b>Non-current assets</b>	<b>187,994</b>	<b>216,956</b>	<b>231,314</b>	<b>230,324</b>	<b>229,365</b>
<b>Current liabilities</b>	<b>2,714</b>	<b>2,465</b>	<b>2,005</b>	<b>1,499</b>	<b>1,502</b>
<b>Non-current liabilities</b>	<b>1,851</b>	<b>1,753</b>	<b>1,655</b>	<b>1,557</b>	<b>1,459</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	138	150	150	150	150
Appropriations	566	24	25	-	-
Other	1,590	-	-	-	-
Interest	2,410	2,080	1,870	1,742	1,843
Rents	7,045	6,702	9,208	11,155	11,155
<b>Total cash received</b>	<b>11,749</b>	<b>8,956</b>	<b>11,253</b>	<b>13,047</b>	<b>13,148</b>
<b>Cash used</b>					
Employees	5,189	5,227	5,964	6,690	6,912
Suppliers	8,394	3,002	4,662	5,971	5,372
<b>Total cash used</b>	<b>13,583</b>	<b>8,229</b>	<b>10,626</b>	<b>12,661</b>	<b>12,284</b>
<b>Net cash from or (used by) operating activities</b>	<b>(1,834)</b>	<b>727</b>	<b>627</b>	<b>386</b>	<b>864</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	32,162	29,987	15,374	-	-
<b>Total cash used</b>	<b>32,162</b>	<b>29,987</b>	<b>15,374</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(32,162)</b>	<b>(29,987)</b>	<b>(15,374)</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	22,000	22,000	16,500	-	-
<b>Total cash received</b>	<b>22,000</b>	<b>22,000</b>	<b>16,500</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>22,000</b>	<b>22,000</b>	<b>16,500</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(11,996)</b>	<b>(7,260)</b>	<b>1,753</b>	<b>386</b>	<b>864</b>
Cash at the beginning of the reporting period	49,184	37,188	29,928	31,681	32,067
<b>Cash at the end of the reporting period</b>	<b>37,188</b>	<b>29,928</b>	<b>31,681</b>	<b>32,067</b>	<b>32,931</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>	5,226	6,868	-	208,820	220,914
<b>Adjusted opening balance</b>	5,226	6,868	-	208,820	220,914
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	22,000	22,000
<b>Sub-total transactions with owners</b>	-	-	-	22,000	22,000
<b>Estimated closing balance as at 30 June 2009</b>	5,226	6,868	-	230,820	242,914

Prepared on Australian Accounting Standards basis.

# **National Water Commission**

## **Agency resources and planned performance**



# NATIONAL WATER COMMISSION

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# NATIONAL WATER COMMISSION

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The National Water Commission (NWC) is an independent statutory authority with two key responsibilities: assessing the implementation and promoting the objectives and outcomes of the Intergovernmental Agreement on a National Water Initiative (NWI), and advising on financial assistance to be provided by the Commonwealth under the Australian Government Water Fund. The NWC was created as a result of the NWI, and formally established by the *National Water Commission Act 2004* (NWC Act) (which received Royal Assent on 17 December 2004).

In December 2007 staff administering the Water Smart Australia (WSA) program moved to the Department of the Environment, Water, Heritage and the Arts (DEWHA), formally transferring on 31 March 2008. During the period December 2007 to 30 June 2008 the Chief Executive Officer of the NWC remained responsible for advising the Minister on the WSA program and for the expenditure of funds from the special account. The estimate of NWC expenditure in 2007–08 therefore includes departmental expenses until 31 March 2008 and estimated administered expenses for the full financial year.

From 2008–09 funds for the WSA program will be appropriated to DEWHA, including appropriation for the estimated unspent WSA program funds held in the Australian Water Fund (AWF) Special Account at 30 June 2008. Following amendments to section 40 of the NWC Act the WSA moneys actually held in the special account at 30 June 2008 will be repaid to consolidated revenue.

Over the next two financial years DEWHA will be appropriated \$561.3 million representing the balance of WSA program funds. This appropriation will be offset by a reduction in appropriation otherwise available to the NWC and the repayment of moneys in the AWF as noted above.

The NWC has one Outcome – sustainable management and use of Australia’s water resources. It will achieve this outcome through:

- providing policy advice to the Minister for Climate Change and Water and national, state and territory governments on the implementation of the National Water Initiative (NWI); and
- implementing the Raising National Water Standards (RNWS) program that supports projects to improve the capacity to measure, monitor and manage water

resources; improve the knowledge, information and skills available; and contribute to achieving NWC outcomes.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1 National Water Commission Resource Statement – Budget estimates for 2008–09 as at Budget 2008**

	Estimate of prior <sup>+</sup> year amounts available in 2008-09 \$'000	Proposed at Budget <sup>=</sup> 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Ordinary Annual Services</b>				
<b>Departmental outputs</b>				
Departmental outputs	6,521 <sup>3</sup>	8,371 <sup>1</sup>	14,892	9,851
Resources received free of charge	-	98 <sup>2</sup>	98	98
Relevant agency receipts	-	30	30	74
<b>Total</b>	<b>6,521</b>	<b>8,499</b>	<b>15,020 <sup>4</sup></b>	<b>10,023</b>
<b>Administered expenses</b>				
Outcome 1	-	318	318	575,032
<b>Total</b>	<b>-</b>	<b>318</b>	<b>318</b>	<b>575,032</b>
<b>Total ordinary annual services</b>	<b>A 6,521</b>	<b>8,817</b>	<b>15,338</b>	<b>585,055</b>
<b>Other services</b>				
<b>Total other services</b>	<b>B -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Available Annual Appropriations</b>	<b>6,521</b>	<b>8,817</b>	<b>15,338</b>	<b>585,055</b>
<b>Special Appropriations</b>				
<b>Total Special Appropriations</b>	<b>C -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Appropriations excluding Special Accounts</b>	<b>6,521</b>	<b>8,817</b>	<b>15,338</b>	<b>585,055</b>
<b>Special Accounts<sup>5</sup></b>				
Opening balance	436,320	-	436,320	311,877
Appropriation Receipts	-	318	318	575,032
<b>Total Special Account</b>	<b>D 436,320</b>	<b>318</b>	<b>436,638</b>	<b>886,909</b>
<b>Total resourcing</b>	<b>442,841</b>	<b>9,135</b>	<b>451,976</b>	<b>1,471,964</b>
A+B+C+D				
Less appropriations drawn from annual or special appropriations above and credited to special accounts	-	(318)	(318)	(575,032)
<b>Total net resourcing for NWC</b>	<b>442,841</b>	<b>8,817</b>	<b>451,658</b>	<b>896,932</b>

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Relevant Agency receipts - estimate

<sup>3</sup> Estimated adjusted balance carried from previous year for Annual Appropriations

<sup>4</sup> The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the Outcome Budgets, for the reconciliation see Table 3.1.1 Reconciliation of Total Available Appropriation and Outcome Budgets

<sup>5</sup> Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.3, Section 3 Reader note: All figures are GST exclusive.

Note: the 2007-08 appropriation estimate has been reduced by funds to be transferred to DEWHA

### **1.3 BUDGET MEASURES**

There are no Budget measures relating to the National Water Commission in 2008-09.



## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the national Water Commission in achieving Government outcomes.

#### 2.1.1 Outcome 1: Sustainable management and use of Australia's water resources

##### Outcome 1 Strategy

The outcome will be achieved through the provision of strategic assessments and policy advice to the Council of Australian Governments (COAG) and policy advice to the Minister for Climate Change and Water and interaction with members of the COAG sub-committee on water on achieving the National Water Initiative (NWI). Additionally, the National Water Commission (NWC) will provide practical advice and guidance through commissioning of research and projects under the Raising National Water Standards (RNWS).

In accordance with the *National Water Commission Act 2004*, the NWC will undertake the following major projects in 2008-09:

- assess against national benchmarks the performance of the water industry in managing and using Australia's water resources and advise the Minister for Climate Change and Water and COAG of the assessments; and
- assess progress against achieving NWI objectives and report to the Minister for Climate Change and Water and COAG including advice and recommendations on actions that might be taken to better achieve those objectives and outcomes.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Sustainable management and use of Australia's water resources</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual(2) \$'000
<b>Output Group 1.1:</b>			
Administered Items:			
Other	B1	95	81
Departmental Outputs			
Policy advice		2,431	2,857
<b>Subtotal for Output Group 1.1</b>		<b>2,526</b>	<b>2,938</b>
<b>Output Group 1.2:</b>			
Administered Items:			
Water Smart Australia	B1	-	544,850
Raising National Water Standards	B1	-	29,912
Other	B1	223	189
Departmental Outputs			
Programme management		5,940	6,994
Resources received free of charge		98	98
Revenues from other sources		30	74
Special Accounts			
Australian Water Fund			
Opening balance		436,320	311,877
Appropriation receipts	1	318	575,032
Non-Appropriation receipts to Special Accounts		-	-
<b>Subtotal for Output Group 1.2</b>		<b>442,611</b>	<b>893,994</b>
<b>Total resources for Outcome 1</b>		<b>445,137</b>	<b>896,932</b>
		2008-09	2007-08
<b>Average staffing level (number)</b>		44	45

<sup>1</sup> Appropriation item receipted into Australian Water Fund Special Account (B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

Note: 2007-08 Estimated Actual reduced for WSA departmental funds (\$479,000) transfer to DEWHA  
Resources received free of charge and Other Receipts are additional to resources shown in Budget Paper 4

**Contributions to Outcome 1**

<b>Output Group 1.1: Policy Advice</b>	
<p>This output contributes to the achievement of the NWC's outcome by providing advice to the Minister for Climate Change and Water and national, state and territory governments on a wide range of issues relating to water management in Australia and the implementation of the NWI.</p> <p>Components of Output Group 1.1:</p> <p><b>Administered Items:</b></p> <ul style="list-style-type: none"> <li>• Other                             <ul style="list-style-type: none"> <li>Costs of Commissioners' remuneration attributed to their role in providing policy advice on national water issues.</li> </ul> </li> </ul> <p><b>Departmental Outputs:</b></p> <p>Provision of advice on a wide range of issues relating to water management in Australia and the implementation of the NWI developed through research, liaison with government, community and education sectors and the provision of grants and commissioning of projects.</p>	
Key Performance Indicators	2008-09 Target
Level of satisfaction of the Minister and Commissioners with the relevance, quality and timeliness of policy advice, Question Time briefs, parliamentary Questions on notice and Ministerial requests for briefings provided.	<p>Degree of satisfaction of Minister and Commissioners as expressed through formal and informal feedback</p> <p>95% of briefs provided to Minister within set timeframe</p> <p>100% of Parliamentary Questions on Notice answered within set timeframe</p>
Report to the Minister and COAG on the performance of the water industry in managing and using Australia's water resources	<p>Degree to which report canvasses issues and is acknowledged by Minister and COAG</p> <p>Report completed and provided within timeframe</p>
Report to the Minister and COAG on progress against achieving NWI objectives including advice and recommendations on actions that might be taken to better achieve those objectives and outcomes	<p>Degree to which report canvasses issues and is acknowledged by Minister and COAG</p> <p>Report completed and provided within timeframe</p>
Contribution to water policy through participation in government working groups and committees and presentation of papers at seminars and conferences	<p>Extent to which participation contributes to achieving NWI outcomes</p> <p>40 committee and group memberships</p> <p>15 papers presented</p>

<b>Output Group 1.2: Program Management</b>	
<p>Implementing and managing grants and commissioned projects to improve the capacity to measure, monitor and manage water resources; improve the knowledge, information and skills available; and contribute to achieving NWI outcomes.</p> <p>Components of Output Group 1.2:</p> <p><b>Administered Items:</b></p> <ul style="list-style-type: none"> <li>• Raising National Water Standards Provides grants and commissions projects to improve the capacity to measure, monitor and manage water resources; improve the knowledge, information and skills available; and contribute to achieving NWI outcomes.</li> <li>• Other Costs of Commissioner's remuneration attributed to their role in considering and endorsing grants and commissioned projects.</li> </ul> <p><b>Departmental Outputs:</b></p> <p>Departmental Outputs – Program management: implementing and managing grants and commissioned projects to improve the understanding of Australia's water resources.</p>	
Key Performance Indicators	2008-09 Target
Contribution to the improved capacity to monitor, evaluate and report on water resources at the national, regional and catchment level	<p>Extent to which contribution improves capacity as measured through relevance of projects implemented</p> <p>100% of projects administered within Ministerial financial approval and project objectives</p> <p>Value of projects under implementation</p>
Contribution to the improvement of knowledge, information and skills needed to better manage our water resources	<p>Extent to which contribution improves knowledge, skills and information as measured through relevance of projects implemented</p> <p>100% of projects administered within Ministerial financial approval and project objectives</p> <p>Value of projects under implementation</p>
Contribution to enhancing innovation for rural and urban water efficiency	<p>Extent to which contribution enhances innovation as measured through relevance of projects implemented</p> <p>100% of projects administered within Ministerial financial approval and project objectives</p> <p>Value of projects under implementation</p>

<b>Output Group 1.2: Program Management</b>	
Contribution to improving the understanding of groundwater issues	Extent to which contribution improves understanding as measured through relevance of projects implemented  100% of projects administered within Ministerial financial approval and project objectives  Value of projects under implementation



## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of Total Available Appropriation and Outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	<b>14,922</b>
Less estimated payments in 2008-09	(8,983)
<b>Estimated departmental outputs carried forward and available for 2009-10</b>	<b>5,939</b>

#### 3.1.2 Movement of administered funds between years

The National Water Commission (NWC) does not have any movement of administered funds between years.

### 3.1.3 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by the NWC.

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

		Opening balance <b>2008-09</b> 2007-08	Receipts <b>2008-09</b> 2007-08	Payments <b>2008-09</b> 2007-08	Adjustments <b>2008-09</b> 2007-08	Closing balance <b>2008-09</b> 2007-08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Water Fund Account s.21 FMA Act (A)	1	<b>436,320</b> 311,877	<b>318</b> 575,032	<b>(83,636)</b> (450,589)	<b>(252,723)</b> -	<b>100,279</b> 436,320
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		<b>436,320</b>	<b>318</b>	<b>(83,636)</b>	<b>(252,723)</b>	<b>100,279</b>
Total special accounts 2007-08 estimate actual		311,877	575,032	(450,589)	-	436,320

(A) = Administered

Note: the 'Adjustments 2008-09' figure reflects the expected repayment of the balance of unspent Water Smart Australia (WSA) program funds held in the Australian Water Fund (AWF) Account at 30 June 2008 to consolidated revenue.

### 3.1.4 Australian Government Indigenous Expenditure

The NWC has no Australian Government Indigenous Expenditure to report in 2008-09.

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Analysis of budgeted financial statements

The major change in the NWC financial statements arises from the transfer of the WSA program to the Department of the Environment, Water, Heritage and the Arts. This resulted in the transfer of 10 ASL and the associated departmental expenses appropriation for salaries and supplier costs and the transfer of the provision for staff employee leave liability expenses.

Unspent appropriation for the WSA program held in the Australian Water Fund Special Account (\$252.7 million) will be repaid to the Official Public Account in 2008–09 following changes to the NWC Act to allow the moneys to be repaid.

The administered appropriation in 2008–09 and future years provides for the remuneration of NWC Commissioners. Program funds for the Raising National Water Standards program are fully provided for by the funds held in the AWF Special Account.

The build up in receivables over the period in the departmental income statement reflects the fact that resources are being set aside to meet the accruing leave liabilities of NWC staff.

### 3.2.2 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	9,851	8,371	8,471	8,554	8,654
Other	74	30	-	-	-
<b>Total revenue</b>	<b>9,925</b>	<b>8,401</b>	<b>8,471</b>	<b>8,554</b>	<b>8,654</b>
<b>Gains</b>					
Other	98	98	98	98	98
<b>Total gains</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>
<b>Total income</b>	<b>10,023</b>	<b>8,499</b>	<b>8,569</b>	<b>8,652</b>	<b>8,752</b>
<b>EXPENSE</b>					
Employees	5,062	4,654	4,838	5,034	5,240
Suppliers	4,426	3,277	3,147	3,277	3,379
Depreciation and amortisation	481	495	511	281	73
Other	54	73	73	60	60
<b>Total expenses</b>	<b>10,023</b>	<b>8,499</b>	<b>8,569</b>	<b>8,652</b>	<b>8,752</b>
<b>Surplus (Deficit) before income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	14	14	14	14	14
Trade and other Receivables	7,374	7,308	8,004	8,319	8,392
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>7,388</b>	<b>7,322</b>	<b>8,018</b>	<b>8,333</b>	<b>8,406</b>
<b>Non-financial assets</b>					
Land and buildings	398	206	14	-	-
Infrastructure, plant and equipment	191	470	236	73	-
Intangibles	71	189	104	-	-
Prepayments	44	44	44	44	44
<b>Total non-financial assets</b>	<b>704</b>	<b>909</b>	<b>398</b>	<b>117</b>	<b>44</b>
<b>Total assets</b>	<b>8,092</b>	<b>8,231</b>	<b>8,416</b>	<b>8,450</b>	<b>8,450</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	1,385	1,585	1,785	1,785	1,785
Other	95	97	99	99	99
<b>Total provisions</b>	<b>1,480</b>	<b>1,682</b>	<b>1,884</b>	<b>1,884</b>	<b>1,884</b>
<b>Payables</b>					
Suppliers	562	499	482	482	482
Other	16	16	16	16	16
<b>Total payables</b>	<b>578</b>	<b>515</b>	<b>498</b>	<b>498</b>	<b>498</b>
<b>Total liabilities</b>	<b>2,058</b>	<b>2,197</b>	<b>2,382</b>	<b>2,382</b>	<b>2,382</b>
<b>Net assets</b>	<b>6,034</b>	<b>6,034</b>	<b>6,034</b>	<b>6,068</b>	<b>6,068</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,103	2,103	2,103	2,103	2,103
Reserves	38	38	38	38	38
Retained surpluses or accumulated deficits	3,893	3,893	3,893	3,927	3,927
<b>Total parent entity interest</b>	<b>6,034</b>	<b>6,034</b>	<b>6,034</b>	<b>6,068</b>	<b>6,068</b>
<b>Total equity</b>	<b>6,034</b>	<b>6,034</b>	<b>6,034</b>	<b>6,068</b>	<b>6,068</b>
<b>Current assets</b>	<b>7,432</b>	<b>7,366</b>	<b>8,062</b>	<b>8,377</b>	<b>8,450</b>
<b>Non-current assets</b>	<b>660</b>	<b>865</b>	<b>354</b>	<b>73</b>	<b>-</b>
<b>Current liabilities</b>	<b>994</b>	<b>991</b>	<b>1,034</b>	<b>1,034</b>	<b>1,034</b>
<b>Non-current liabilities</b>	<b>1,065</b>	<b>1,207</b>	<b>1,349</b>	<b>1,349</b>	<b>1,349</b>

Prepared on Australian Accounting Standards basis.

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

**Table 3.2.3: Budgeted departmental statement of cash flows (as at 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	9,222	8,437	7,775	8,239	8,383
Other	558	546	443	-	-
<b>Total cash received</b>	<b>9,780</b>	<b>8,983</b>	<b>8,218</b>	<b>8,239</b>	<b>8,383</b>
<b>Cash used</b>					
Employees	4,852	4,427	4,611	5,034	5,240
Suppliers	4,393	3,269	3,093	3,145	3,083
Other	535	587	514	60	60
<b>Total cash used</b>	<b>9,780</b>	<b>8,283</b>	<b>8,218</b>	<b>8,239</b>	<b>8,383</b>
<b>Net cash from or (used by) operating activities</b>	<b>-</b>	<b>700</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	-	700	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>(700)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>-</b>	<b>(700)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	14	14	14	14	14
<b>Cash at the end of the reporting period</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

**Table 3.2.4: Departmental statement of changes in equity – summary of movement (Budget year 2008–09)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	3,893	38	-	2,103	6,034
<b>Adjusted opening balance</b>	<b>3,893</b>	<b>38</b>	<b>-</b>	<b>2,103</b>	<b>6,034</b>
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<b>Sub-total transactions with owners</b>	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2009</b>	<b>3,893</b>	<b>38</b>	<b>-</b>	<b>2,103</b>	<b>6,034</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Estimated actual 2007-08	Budget estimate 2008-09	Forward estimate 2009-10	Forward estimate 2010-11	Forward estimate 2011-12
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
<b>Total taxation</b>	-	-	-	-	-
<b>Non-taxation</b>					
<b>Total non-taxation</b>	-	-	-	-	-
<b>Total revenues administered on behalf of Government</b>	-	-	-	-	-
<b>Gains</b>					
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	391,260	20,221	17,534	4,000	2,000
Employees	730	791	822	856	890
Suppliers	28,398	62,624	58,776	8,057	8,036
<b>Total expenses administered on behalf of Government</b>	<b>420,388</b>	<b>83,636</b>	<b>77,132</b>	<b>12,913</b>	<b>10,926</b>

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	436,320	100,278	23,477	10,908	-
<b>Total financial assets</b>	<b>436,320</b>	<b>100,278</b>	<b>23,477</b>	<b>10,908</b>	<b>-</b>
<b>Non-financial assets</b>					
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>436,320</b>	<b>100,278</b>	<b>23,477</b>	<b>10,908</b>	<b>-</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Provisions</b>					
Employees	2	2	2	2	-
<b>Total provisions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>
<b>Payables</b>					
Suppliers	168	98	68	12	-
<b>Total payables</b>	<b>168</b>	<b>98</b>	<b>68</b>	<b>12</b>	<b>-</b>
<b>Total liabilities administered on behalf of Government</b>	<b>170</b>	<b>100</b>	<b>70</b>	<b>14</b>	<b>-</b>

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Employees	730	791	822	856	890
Grant payments	424,332	20,333	17,535	4,012	2,003
Suppliers	28,413	62,582	58,807	8,099	8,043
<b>Total cash used</b>	<b>453,475</b>	<b>83,706</b>	<b>77,164</b>	<b>12,967</b>	<b>10,936</b>
<b>Net cash from or (used by) operating activities</b>	<b>(453,475)</b>	<b>(83,706)</b>	<b>(77,164)</b>	<b>(12,967)</b>	<b>(10,936)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	35,907	12,303	8,450	1,456	1,093
<b>Total cash received</b>	<b>35,907</b>	<b>12,303</b>	<b>8,450</b>	<b>1,456</b>	<b>1,093</b>
<b>Cash used</b>					
Other	35,907	12,303	8,450	1,456	1,093
<b>Total cash used</b>	<b>35,907</b>	<b>12,303</b>	<b>8,450</b>	<b>1,456</b>	<b>1,093</b>
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>					
Cash from Official Public Account for:					
- appropriations	575,032	318	330	344	357
Cash to Official Public Account for:					
- special accounts	575,032	318	330	344	357
<b>Cash at end of reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

# **Australia Council**

## **Agency resources and planned performance**



# AUSTRALIA COUNCIL

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# AUSTRALIA COUNCIL

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The Australia Council (the Council) is the Australian Government's principal arts funding and advisory body. It enriches the lives of Australians and their communities by supporting the creation and enjoyment of the arts. Its vision is to:

- enable Australia's arts and artists to pursue excellence;
- preserve, maintain and develop the distinctive features of Australia's culture;
- ensure all Australians have the opportunity to engage with the arts and enjoy a rich cultural life; and
- shape a future in which the arts play a meaningful and vital role in the everyday lives of Australians and their communities.

The Council focuses on two outcomes in pursuing its vision, namely:

- that Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence; and
- that Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts.

In 2008–09 the Australia Council will be focusing on a set of six strategic priorities that will be the primary drivers for delivering against the outcomes in the year ahead. They include:

1. Arts content for the digital era: the Council recognises that all art form areas currently support artistic creation that uses digital technology and intends to explore the breadth of possibilities and activities associated with arts in the digital era.
2. Developing a greater appreciation for the arts: the Council continues to play a leadership role in facilitating a greater appreciation of the role and value of the arts in the lives of Australians. This relates specifically to fostering more civic engagement and participation in access to and support for the arts.
3. Engaging more business and philanthropic involvement in the arts: there is growing support for the arts in Australia from the business community and

*Australia Council Budget Statements*

through private streams such as philanthropy. The Council's focus on encouraging cultural philanthropy is not only a valuable source of income for artists and arts organisations but is also important in growing broader community support for the arts.

4. Becoming a knowledge centre on the arts in Australia: it is proposed that the Council establish itself as a statistical and research hub with key analysis and information provided on a regular basis and also commission research to address gaps and emerging major issues for the arts.
5. Working to increase artist's income levels: to facilitate and provide mechanisms for income-earning opportunities.
6. Improving the national impact of the Council: the goal is to improve the Council's communication with, support for, and presence within the arts community across Australia.

The Council continues to work in close partnerships with State and Territory governments in supporting the 29 major performing arts companies, including the eight symphony and pit orchestras, and the 54 small to medium performing arts key organisations. The Council also continues to manage the Visual Arts and Crafts Strategy funds, again working closely with State and Territory governments.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Australia Council resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>16,121</b>	-	<b>16,121</b>	18,718
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	91,242	-	92,380
Outcome 2	-	69,398	-	70,264
<b>Total ordinary annual services</b>	-	<b>160,640</b>	<b>160,640</b>	<b>162,644</b>
<b>Total Annual Appropriations</b>	-	<b>160,640</b>	<b>160,640</b>	<b>162,644</b>
<b>Payments from related entities<sup>2</sup></b>				
<i>Amounts from the portfolio department</i>	-	<b>11,330</b>	<b>11,330</b>	<b>2,000</b>
<b>Total Funds from Government</b>	-	<b>171,970</b>	<b>171,970</b>	<b>164,644</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	2,500	-	2,500
<i>Other</i>	-	1,012	-	8,619
<b>Total</b>	-	<b>3,512</b>	<b>3,512</b>	<b>11,119</b>
<b>Total net resourcing for Agency</b>	-	<b>175,482</b>	<b>191,603</b>	<b>175,763</b>

All figures are GST exclusive

The Australia Council is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of the Environment, Water, Heritage and the Arts, which are then paid to the Australia Council and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Funding provided by another Government body

### 1.3 BUDGET MEASURES

Budget measures relating to the Australia Council are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Australia Council 2008-09 Budget measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measures</b>					
Artists in Residence Education Initiative	1.1				
Administered expense		-	-	-	-
Departmental outputs		1,300	1,300	1,300	1,300
<b>Total</b>		<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
A creative Australia - Support for Young and Emerging Artists - implementation <sup>(1)</sup>	1.1				
Administered expense		-	-	-	-
Departmental outputs		-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expense measures</b>	Administered	-	-	-	-
	Departmental	1,300	1,300	1,300	1,300
	<b>Total</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>

**Prepared on a Government Financial Statistics (fiscal) basis**

<sup>(1)</sup> This measure provides \$6.6 million over four years, offset from within the Portfolio's existing resources.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs, which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the Australia Council in achieving Government outcomes.

#### **2.1.1 Outcome 1: Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence**

##### **Outcome 1 Strategy**

The Australia Council continues to support the creation of new works, professional development, cultural exchange such as fellowships and residencies, art form awards, mentoring opportunities, organisational investment, business planning advice and other industry investments. It also funds the individual artists and organisations that present, exhibit, publish, distribute and promote Australian works.

**Outcome 1 Resource statement**

Table 2.1.1 provides additional detail of Budget appropriations and the total resourcing for Outcome 1.

**Table 2.1.1: Total resources for Outcome 1**

<b>Outcome 1:</b> <i>Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence</i>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 1.1:</b>		
Departmental Outputs		
Departmental Appropriations	54,745	55,428
Revenues from other sources	5,077	4,487
<b>Subtotal for Output 1.1</b>	<b>59,822</b>	<b>59,915</b>
<b>Output 1.2:</b>		
Departmental Outputs		
Departmental Appropriations	36,497	36,952
Revenues from other sources	3,384	2,991
<b>Subtotal for Group 1.2</b>	<b>39,881</b>	<b>39,943</b>
<b>Total resources for Outcome 1</b>	<b>99,703</b>	<b>99,858</b>
<hr/>		
<b>Average staffing level (number)</b>	2008-09 70	2007-08 86

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

**Contributions to Outcome 1**

<b>Output 1.1: Investments in artistic production and development of artistic practice</b>	
<p>Components of Output 1.1:</p> <p>The Australia Council invests in artistic production and the development of artistic practice by providing grants and other forms of financial support to individual artists, arts workers and organisations through a range of support for the arts programs for:</p> <ul style="list-style-type: none"> <li>• the creation of new work;</li> <li>• professional development opportunities for individual artists and arts workers in the form of residencies, mentoring relationships and other development programs; and</li> <li>• awards for the recognition of outstanding achievement or artistic potential.</li> </ul>	
Key Performance Indicators	2008-09 Target
Investment in artistic production	<p>Increasing the number of opportunities and investment in:</p> <ul style="list-style-type: none"> <li>• 4000 new works created with Australia Council support</li> <li>• artistic work developed with Australia Council support</li> </ul>
Investment in the development of artistic practice	3,500 opportunities and initiatives for the development of skills through presentations, exhibitions and publications

<b>Output 1.2: Presentation of distinctive Australian cultural works nationally and internationally</b>	
<p>Components of Output 1.2:</p> <p>Programs run by the Australia Council aim to increase resources, opportunities and audiences for Australian art through funding for projects that present, exhibit, publish, distribute and/or promote Australian work in a range of art forms and practice areas including dance, hybrid and interdisciplinary arts, literature, music, theatre and visual arts and craft.</p>	
Key Performance Indicators	2008-09 Target
Presentation of distinctive Australian cultural works nationally and internationally	420 artistic works exhibited, performed or written with Australia Council support – across 70 countries

## 2.1.2 Outcome 2: Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts

### Outcome 2 Strategy

The Australia Council plays an important role in helping more Australians engage with the arts. It continues to invest significantly in community based arts and community cultural development programs, audience development initiatives, arts marketing and promotional programs, and analysis of the arts sector

### Outcome 2 Resource statement

Table 2.1.2 provides additional detail of Budget appropriations and the total resourcing for Outcome 2.

**Table 2.1.2: Total resources for Outcome 2**

<b>Outcome 2:</b> <i>Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts</i>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 2.1:</b>		
Departmental Outputs		
Departmental Appropriations	25,677	25,998
Revenues from other sources	2,360	2,087
<b>Subtotal for Output 2.1</b>	<b>28,037</b>	<b>28,085</b>
<b>Output 2.2:</b>		
Departmental Outputs		
Departmental Appropriations	36,781	37,240
Revenues from other sources	3,383	2,990
<b>Subtotal for Output 2.2</b>	<b>40,164</b>	<b>40,230</b>
<b>Output 2.3:</b>		
Departmental Outputs		
Departmental Appropriations	6,940	7,026
Revenues from other sources	638	564
<b>Subtotal for Output 2.3</b>	<b>7,578</b>	<b>7,590</b>
<b>Total resources for Outcome 2</b>	<b>75,779</b>	<b>75,905</b>
	2008-09	2007-08
<b>Average staffing level (number)</b>	52	65

## Contributions to Outcome 2

<b>Output 2.1: Promoting the understanding, enjoyment, participation in and appreciation of the arts by Australians</b>	
<p>Components of Output 2.1:</p> <p>Programs run by the Australia Council increase national and international audiences and markets for Australian arts, support a diverse range of arts and cultural activities in communities and utilise the arts to build stronger communities.</p>	
Key Performance Indicators	2008-09 Target
Promoting the understanding, enjoyment, participation in and appreciation of the arts by Australians	<ul style="list-style-type: none"> <li>• Geographic spread of activities funded by the Australia Council</li> <li>• The number of investments leveraged (multiplier effect) from other sources to develop audiences for the arts.</li> <li>• 25 audience development initiatives</li> </ul>

<b>Output 2.2: Infrastructure development of Australia's creative arts</b>	
<p>Components of Output 2.2:</p> <p>The Australia Council provides triennial grants and other forms of support in terms of capacity building and advice to key arts organisations to develop and maintain a viable strategic arts infrastructure.</p>	
Key Performance Indicators	2008-09 Target
Infrastructure development of Australia's creative arts	<ul style="list-style-type: none"> <li>• 800 organisations funded</li> <li>• An increase in the reliability and diversity of arts activities available to Australians</li> </ul>

<b>Output Group 2.3: Provision of policy development, research, promotional and advisory services</b>	
<p>Components of Output 2.3:</p> <p>The Australia Council provides research, analysis and advice on contemporary arts issues to the government and the arts industry.</p>	
Key Performance Indicators	2008-09 Target
Provision of policy development, research, promotional and advisory services	The provision of a variety of deliverable platforms (website, publications, advocacy sessions) to ensure broad access to Australia Council information, grants, programs and research



## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of the Australia Council's finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant for the Australia Council.

#### **3.1.2 Movement of administered funds between years**

There are no movements of administered funds between years for the Australia Council.

#### **3.1.3 Special Accounts**

The Australia Council does not have special accounts.

### 3.1.4 Australian Government Indigenous Expenditure

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Australia Council</b>						
<b>Outcome 1</b>							
<b>Australian artists create and present a body of distinctive cultural works characterised by the pursuit of excellence</b>							
<b>Departmental 2008-09</b>	<b>3,232</b>	-	-	<b>3,232</b>	-	<b>3,232</b>	<b>1.2</b>
<i>Departmental 2007-08</i>	<i>4,810</i>	-	-	<i>4,810</i>	-	<i>4,810</i>	<i>1.2</i>
<b>Total Outcome 1 2008-09</b>	<b>3,232</b>	-	-	<b>3,232</b>	-	<b>3,232</b>	
<i>Total Outcome 1 2007-08</i>	<i>4,810</i>	-	-	<i>4,810</i>	-	<i>4,810</i>	
<b>Outcome 2</b>							
<b>Australian citizens and civic institutions appreciate, understand, participate in, enjoy and celebrate the arts</b>							
<b>Departmental 2008-09</b>	<b>2,438</b>	-	-	<b>2,438</b>	-	<b>2,438</b>	<b>2.1</b>
<i>Departmental 2007-08</i>	<i>3,629</i>	-	-	<i>3,629</i>	-	<i>3,629</i>	<i>2.1</i>
<b>Total Outcome 2 008-09</b>	<b>2,438</b>	-	-	<b>2,438</b>	-	<b>2,438</b>	
<i>Total Outcome 2 2007-08</i>	<i>3,629</i>	-	-	<i>3,629</i>	-	<i>3,629</i>	
<b>Total Departmental 2008-09</b>	<b>5,670</b>	-	-	<b>5,670</b>	-	<b>5,670</b>	<b>2.1</b>
<i>Total Departmental 2007-08</i>	<i>8,439</i>	-	-	<i>8,439</i>	-	<i>8,439</i>	<i>2.1</i>
<b>Total AGIE 2008-09</b>	<b>5,670</b>	-	-	<b>5,670</b>	-	<b>5,670</b>	
<i>Total AGIE 2007-08</i>	<i>8,439</i>	-	-	<i>8,439</i>	-	<i>8,439</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

#### **Income Statement**

The Australia Council has budgeted for a break-even base budget but expenditure also includes prior year funding commitments falling due in 2008-09. The inclusion of these commitments has resulted in an operating deficit of \$4.1 million, which will be funded from accumulated surpluses.

The Australia Council has received Minister for Finance and Deregulation approval for the 2007-08 and 2008-09 operating deficits of (\$11.9 million) and (\$4.1 million) respectively. The operating deficits reflect timing and implementation of art sector programs and initiatives across financial years.

2008-09 Revenue:

- Revenue from Government of \$160.6 million are departmental appropriations;
- Other revenue sources of \$12.3 million include the following revenue items from the Department of the Environment, Water, Heritage and the Arts:
  - Visual Arts & Crafts Strategy Government Initiative (\$5.3 million); and
  - Books Alive Government Initiative (\$2.0 million);
  - Creative Communities Government Initiative (2.8 million); and
  - Artists in Residence Education Initiative (\$1.3 million).
  - Venice Biennale donations (\$0.8 million) have also been forecast.

2008-09 Expenditure:

The Australia Council has reviewed its 2008-09 budget with the aim of minimising the impact of the one-off 2 per cent efficiency dividend on the arts sector by focusing on reducing its operational costs.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	162,644	160,640	161,059	161,862	163,350
Interest	2,500	2,500	2,500	2,500	2,500
Rents	45	38	32	-	-
Other <sup>1</sup>	10,574	12,304	10,285	10,504	2,000
<b>Total revenue</b>	<b>175,763</b>	<b>175,482</b>	<b>173,876</b>	<b>174,866</b>	<b>167,850</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>175,763</b>	<b>175,482</b>	<b>173,876</b>	<b>174,866</b>	<b>167,850</b>
<b>EXPENSE</b>					
Employees	11,196	9,676	10,066	10,472	10,894
Suppliers	4,838	4,581	4,998	5,173	5,228
Grants	170,645	164,579	158,520	158,495	150,004
Depreciation and amortisation	954	708	273	114	80
<b>Total expenses</b>	<b>187,633</b>	<b>179,544</b>	<b>173,857</b>	<b>174,254</b>	<b>166,206</b>
<b>Surplus (Deficit) before income tax</b>	<b>(11,870)</b>	<b>(4,062)</b>	<b>19</b>	<b>612</b>	<b>1,644</b>
<b>Income tax expense</b>					
<b>Surplus(Deficit)</b>	<b>(11,870)</b>	<b>(4,062)</b>	<b>19</b>	<b>612</b>	<b>1,644</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>(11,870)</b>	<b>(4,062)</b>	<b>19</b>	<b>612</b>	<b>1,644</b>

Prepared on Australian Accounting Standards basis

<sup>1</sup> This includes \$2.75 million for the Creative Communities Government Initiative which is currently appropriated to DEWHA. From 2008-09 this will be directly appropriated to the Australia Council.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	16,121	12,992	13,415	14,157	15,881
Trade and other Receivables	1,600	1,600	1,600	1,600	1,600
<b>Total financial assets</b>	<b>17,721</b>	<b>14,592</b>	<b>15,015</b>	<b>15,757</b>	<b>17,481</b>
<b>Non-financial assets</b>					
Land and buildings	2,035	1,504	1,299	1,214	1,154
Infrastructure, plant and equipment	1,543	1,201	1,048	1,019	999
Other	4,000	4,000	4,000	4,000	4,000
<b>Total non-financial assets</b>	<b>7,578</b>	<b>6,705</b>	<b>6,347</b>	<b>6,233</b>	<b>6,153</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>25,299</b>	<b>21,297</b>	<b>21,362</b>	<b>21,990</b>	<b>23,634</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	1,917	1,933	1,949	1,965	1,965
<b>Total provisions</b>	<b>1,917</b>	<b>1,933</b>	<b>1,949</b>	<b>1,965</b>	<b>1,965</b>
<b>Payables</b>					
Suppliers	334	366	391	391	391
Grants	1,677	1,645	1,610	1,610	1,610
Other	598	637	682	682	682
<b>Total payables</b>	<b>2,609</b>	<b>2,648</b>	<b>2,683</b>	<b>2,683</b>	<b>2,683</b>
<b>Total liabilities</b>	<b>4,526</b>	<b>4,581</b>	<b>4,632</b>	<b>4,648</b>	<b>4,648</b>
<b>Net assets</b>	<b>20,773</b>	<b>16,716</b>	<b>16,730</b>	<b>17,342</b>	<b>18,986</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Reserves	2,044	2,044	2,044	2,044	2,044
Retained surpluses or accumulated deficits	18,729	14,667	14,686	15,298	16,942
<b>Total parent entity interest</b>	<b>20,773</b>	<b>16,711</b>	<b>16,730</b>	<b>17,342</b>	<b>18,986</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>20,773</b>	<b>16,711</b>	<b>16,730</b>	<b>17,342</b>	<b>18,986</b>
<b>Current assets</b>	<b>21,721</b>	<b>18,587</b>	<b>17,865</b>	<b>18,662</b>	<b>20,435</b>
<b>Non-current assets</b>	<b>3,578</b>	<b>2,705</b>	<b>3,497</b>	<b>3,328</b>	<b>3,199</b>
<b>Current liabilities</b>	<b>3,566</b>	<b>3,611</b>	<b>3,652</b>	<b>3,658</b>	<b>3,648</b>
<b>Non-current liabilities</b>	<b>960</b>	<b>970</b>	<b>980</b>	<b>990</b>	<b>1,000</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	162,644	160,640	161,059	161,862	163,350
Interest	2,500	2,500	2,500	2,500	2,500
Other	29,013	27,329	24,572	24,648	18,293
<b>Total cash received</b>	<b>194,157</b>	<b>190,469</b>	<b>188,131</b>	<b>189,010</b>	<b>184,143</b>
<b>Cash used</b>					
Employees	11,014	9,692	10,082	10,488	10,894
Suppliers	5,930	5,004	5,470	5,690	5,751
Grants	179,560	178,817	172,156	172,090	165,774
<b>Total cash used</b>	<b>196,504</b>	<b>193,513</b>	<b>187,708</b>	<b>188,268</b>	<b>182,419</b>
<b>Net cash from or (used by) operating activities</b>	<b>(2,347)</b>	<b>(3,044)</b>	<b>423</b>	<b>742</b>	<b>1,724</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	(250)	(85)	-	-	-
<b>Total cash used</b>	<b>(250)</b>	<b>(85)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) investing activities</b>	<b>(250)</b>	<b>(85)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(2,597)</b>	<b>(3,129)</b>	<b>423</b>	<b>742</b>	<b>1,724</b>
Cash at the beginning of the reporting period	18,718	16,121	12,992	13,415	14,157
<b>Cash at the end of the reporting period</b>	<b>16,121</b>	<b>12,992</b>	<b>13,415</b>	<b>14,157</b>	<b>15,881</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	18,729	2,044	-	-	20,773
<b>Adjusted opening balance</b>	18,729	2,044	-	-	20,773
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
Surplus (deficit) for the period	(4,062)	-	-	-	(4,062)
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<b>Sub-total transactions with owners</b>	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2009</b>	14,667	2,044	-	-	16,711

Prepared on Australian Accounting Standards basis.



# **Australian Film, Television and Radio School**

**Agency resources and planned  
performance**



# AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

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# AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The Australian Film, Television and Radio School (AFTRS) is a specialist centre of excellence providing advanced training for emerging and professional filmmakers and broadcasters. AFTRS' courses and programs focus on the importance of locally developed storytelling in an Australian cultural context.

Its vision is to provide leadership through a passionate commitment to excellence in creativity, innovation, and enterprise.

Its mission is to advance the success and sustainability of Australia's screen and broadcast industries by developing the skills and knowledge of talented individuals and undertaking leading-edge research. AFTRS aims to transform the abilities of individuals and strengthen the skills base of the industry.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Australian Film, Television & Radio School resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	-	-	-	-
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	23,301	23,301	23,527
<b>Total ordinary annual services</b>	-	<b>23,301</b>	<b>23,301</b>	<b>23,527</b>
<b>Other services</b>				
<b>Total other services</b>	-	-	-	-
<b>Total Annual Appropriations</b>	-	<b>23,301</b>	<b>23,301</b>	<b>23,527</b>
<b>Special Appropriations</b>				
<b>Total Special Appropriations</b>	-	-	-	-
<b>Total Funds from Government</b>	-	<b>23,301</b>	<b>23,301</b>	<b>23,527</b>
<b>FUNDS FROM INDUSTRY SOURCES</b>				
<b>Total</b>	-	-	-	-
<b>FUNDS FROM OTHER SOURCES</b>				
Interest	-	280	280	500
Royalties	-	-	-	-
Sale of goods and services	-	2,234	2,234	1,699
Other	-	200	200	117
<b>Total</b>	-	<b>2,714</b>	<b>2,714</b>	<b>2,316</b>
<b>Total net resourcing for Agency</b>	-	<b>26,015</b>	<b>26,015</b>	<b>25,843</b>

All figures are GST exclusive

AFTRS is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of the Environment, Water, Heritage and the Arts, which are then paid to AFTRS and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

## 1.3 BUDGET MEASURES

There are no new Budget measures for AFTRS in 2008-09.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Film, Television and Radio School (AFTRS) in achieving Government outcomes.

#### **2.1.1 Outcome 1: Enhanced cultural identity**

##### **Outcome 1 Strategy**

AFTRS is a self-accrediting institution offering postgraduate qualifications in a range of disciplines relevant to the film, television, digital media and radio industries and contributes to the enhancement of Australia's cultural identity by:

- producing industry professionals who have the appropriate skills for the making of film, television and radio programs for the Australian and international community which articulate the Australian cultural identity and aspirations, and which are diverse, rich and innovative;
- providing advanced education and training in program making for the Australian broadcast media industries; and
- undertaking research into areas that have theoretical and practical implications on the film and broadcast industries.

Since its inception, AFTRS has produced over 1,000 graduates and approximately 50,000 industry practitioners have participated in short and flexible courses and seminars.

AFTRS also provides other ancillary training and research services in the form of publications, textbooks, training videos, and library facilities.

As part of the training of students AFTRS also produces a large number of short films each year. These films are shown nationally and internationally and have received critical acclaim at a number of film festivals, and nominations at the 2003, 2005 and 2007 Academy Awards.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for Outcome 1.

**Table 2.1: Total resources for Outcome 1**

	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Outcome 1: Enhanced cultural identity</b>		
<b>Output 1.1: Delivery of advanced level training and education by means of full-time and short courses</b>		
Departmental Outputs	21,851	20,237
Revenues from other sources (s.31)	603	2,155
<b>Subtotal for Output 1.1</b>	<b>22,454</b>	<b>22,392</b>
<b>Output 1.2: Other training activities, including books, videos and research projects</b>		
Departmental Output	100	100
Revenues from other sources (s.31)	66	66
<b>Subtotal for Output 1.2</b>	<b>166</b>	<b>166</b>
<b>Output 1.3: Student productions</b>		
Departmental Output	3,350	3,190
Revenues from other sources (s.31)	95	95
<b>Subtotal for Output 1.3</b>	<b>3,445</b>	<b>3,285</b>
<b>Total resources for Outcome 1</b>	<b>26,065</b>	<b>25,843</b>
<b>Average staffing level (number)</b>	<b>175</b>	<b>177</b>

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

<b>Output 1.1: Delivery of advanced level training and education by means of full-time and short courses</b>	
<p>Components of Output 1.1:</p> <p>AFTRS offers full-time postgraduate level courses at: Graduate certificate programs; Graduate diploma programs; Master of Arts; and Master of Arts (Hons).</p> <p>The full-time post graduate program offers specialisations in: Cinematography; Design; Documentary; Digital Media; Directing; Editing; Producing; Radio; Scriptwriting; Screen Business; Screen Composition; Sound; and Television.</p> <p>The introduction and implementation of flexible delivery of AFTRS' award courses is designed to expand the professional development opportunities for those engaged in the industry. It aims to meet individual needs by providing choices suiting their individual circumstances and meeting their own requirements.</p> <p>A range of over 200 short and flexible courses and seminars are offered throughout the year.</p>	
Key Performance Indicators	2008-09 Target
Increased quality of applications requiring raised entry standards	<p>Applications to full-time courses to exceed 400</p> <p>Attendance at short courses to exceed 4,000 participants</p> <p>Course revenues to increase by greater than the CPI</p>

<b>Output 1.2: Other training activities, including books, videos and research projects</b>	
<p>Components of Output 1.2:</p> <p>AFTRS also provides other ancillary training and research services in the form of: Training videos; Library services; and Academic Research Projects.</p>	
Key Performance Indicators	2008-09 Target
The reputation of our products is maintained and recognised by distributors through major Australian & international entities	<p>Costs to be maintained at same levels as 2000–01 reflecting Government's productivity gains requirements</p> <p>Additional industry partnerships to be undertaken</p>

*Australian Film, Television and Radio School Budget Statements*

<b>Output 1.3: Student Productions</b>	
Components of Output 1.3: AFTRS students produce a large number of short films each year. The films are shown throughout Australia as well as being entered in a number of international film festivals. These productions frequently receive international and domestic acclaim.	
Key Performance Indicators	2008-09 Target
Student Productions	Maintenance of current production targets Increased representation of films at Australian and major international festivals

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant for the Australian, Film, Television and Radio School (AFTRS).

#### **3.1.2 Movement of administered funds between years**

There are no movements of administered funds between years for AFTRS.

#### **3.1.3 Special Accounts**

There are no special accounts for AFTRS.

#### **3.1.4 Australian Government Indigenous Expenditure**

There is no Australian Government Indigenous Expenditure for AFTRS.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences in agency resourcing and financial statements for AFTRS.

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

The forecast balance sheet for June 2008 in last year's Portfolio Budget Statements assumed the sale of the School's premises to Macquarie University would be completed during the financial year and the proceeds transferred to the Commonwealth Government before year end. Due to delays in the construction of the new school building, the relocation of the School will not be completed until June 2008. While the sale might still be settled in June, the proceeds transfer will only take place in 2008–09. Consequently after reflection of new school fit-out capital expenditure, the

June 2008 balance sheet now shows a substantial increase in cash at bank from same forecast shown last year. It should be noted that this increase will be temporary as funds from the sale will be transferred to the Australian Government very early in the new financial year.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	23,527	23,301	23,571	23,790	24,313
Goods and services	1,699	2,234	2,452	2,642	2,906
Interest	500	280	280	280	280
Other	117	200	200	200	200
<b>Total revenue</b>	<b>25,843</b>	<b>26,015</b>	<b>26,503</b>	<b>26,912</b>	<b>27,699</b>
<b>Gains</b>					
Sale of assets	4,267	-	-	50	50
<b>Total gains</b>	<b>4,267</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>50</b>
<b>Total income</b>	<b>30,110</b>	<b>26,015</b>	<b>26,503</b>	<b>26,962</b>	<b>27,749</b>
<b>EXPENSE</b>					
Employees	16,379	15,151	15,587	15,999	16,767
Suppliers	5,997	6,732	8,921	8,968	9,182
Depreciation and amortisation	1,695	1,995	1,995	1,995	1,800
Finance costs	1				
<b>Total expenses</b>	<b>24,072</b>	<b>23,878</b>	<b>26,503</b>	<b>26,962</b>	<b>27,749</b>
<b>Surplus (Deficit) before income tax</b>	<b>6,038</b>	<b>2,137</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus/(Deficit)</b>	<b>6,038</b>	<b>2,137</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>6,038</b>	<b>2,137</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	38,783	5,719	5,679	5,674	5,474
Trade and other Receivables	502	502	502	502	502
Other	59	59	59	59	59
<b>Total financial assets</b>	<b>39,344</b>	<b>6,280</b>	<b>6,240</b>	<b>6,235</b>	<b>6,035</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	9,779	10,784	10,789	10,794	10,994
Other	84	84	84	84	84
<b>Total non-financial assets</b>	<b>9,863</b>	<b>10,868</b>	<b>10,873</b>	<b>10,878</b>	<b>11,078</b>
Assets held for sale					
<b>Total assets</b>	<b>49,207</b>	<b>17,148</b>	<b>17,113</b>	<b>17,113</b>	<b>17,113</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Deposits	72	72	72	72	72
<b>Total interest bearing liabilities</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>
<b>Provisions</b>					
Employees	2,280	2,205	2,190	2,190	2,190
<b>Total provisions</b>	<b>2,280</b>	<b>2,205</b>	<b>2,190</b>	<b>2,190</b>	<b>2,190</b>
<b>Payables</b>					
Suppliers	993	973	953	953	953
Other	357	357	357	357	357
<b>Total payables</b>	<b>1,350</b>	<b>1,330</b>	<b>1,310</b>	<b>1,310</b>	<b>1,310</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>3,702</b>	<b>3,607</b>	<b>3,572</b>	<b>3,572</b>	<b>3,572</b>
<b>Net assets</b>	<b>45,505</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	5	5	5	5	5
Reserves	18,601	-	-	-	-
Retained surpluses or accumulated deficits	26,899	13,536	13,536	13,536	13,536
<b>Total parent entity interest</b>	<b>45,505</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>45,505</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>	<b>13,541</b>
<b>Current assets</b>	<b>39,428</b>	<b>6,364</b>	<b>6,324</b>	<b>6,319</b>	<b>6,119</b>
<b>Non-current assets</b>	<b>9,779</b>	<b>10,784</b>	<b>10,789</b>	<b>10,794</b>	<b>10,994</b>
<b>Current liabilities</b>	<b>3,452</b>	<b>3,357</b>	<b>3,322</b>	<b>3,322</b>	<b>3,322</b>
<b>Non-current liabilities</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,699	2,234	2,452	2,642	2,906
Appropriations	23,527	23,301	23,571	23,790	24,313
Interest	500	280	280	280	280
Other	117	200	200	200	200
<b>Total cash received</b>	<b>25,843</b>	<b>26,015</b>	<b>26,503</b>	<b>26,912</b>	<b>27,699</b>
<b>Cash used</b>					
Employees	16,454	15,226	15,602	15,999	16,767
Suppliers	5,974	6,753	8,941	8,968	9,182
Borrowing costs	1	-	-	-	-
<b>Total cash used</b>	<b>22,429</b>	<b>21,979</b>	<b>24,543</b>	<b>24,967</b>	<b>25,949</b>
<b>Net cash from or (used by) operating activities</b>	<b>3,414</b>	<b>4,036</b>	<b>1,960</b>	<b>1,945</b>	<b>1,750</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	35,050	-	-	50	50
<b>Total cash received</b>	<b>35,050</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>50</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	8,000	3,000	2,000	2,000	2,000
<b>Total cash used</b>	<b>8,000</b>	<b>3,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<b>Net cash from or (used by) investing activities</b>	<b>30,464</b>	<b>1,036</b>	<b>(40)</b>	<b>(5)</b>	<b>(200)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Dividends paid	-	34,100	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>34,100</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>(34,100)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>30,464</b>	<b>(33,064)</b>	<b>(40)</b>	<b>(5)</b>	<b>(200)</b>
Cash at the beginning of the reporting period	8,319	38,783	5,719	5,679	5,674
<b>Cash at the end of the reporting period</b>	<b>38,783</b>	<b>5,719</b>	<b>5,679</b>	<b>5,674</b>	<b>5,474</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	26,899	18,601	-	5	45,505
<b>Adjusted opening balance</b>	26,899	18,601	-	5	45,505
<b>Income and expense</b>	-	-	-	-	-
<b>Sub-total income and expense</b>	-	-	-	-	-
Surplus (deficit) for the period	2,137	-	-	-	2,137
<b>Total income and expenses recognised directly in equity</b>	2,137	-	-	-	2,137
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital					
Dividends	(15,500)	(18,601)	-	-	(34,101)
<b>Sub-total transactions with owners</b>	(15,500)	(18,601)	-	-	(34,101)
<b>Estimated closing balance as at 30 June 2009</b>	13,536	-	-	5	13,541



# **Australian National Maritime Museum**

## **Agency resources and planned performance**



# AUSTRALIAN NATIONAL MARITIME MUSEUM

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# AUSTRALIAN NATIONAL MARITIME MUSEUM

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The role of the Australian National Maritime Museum (ANMM) is to acquire, manage and maximise accessibility to Australia's maritime heritage.

The ANMM's strategic direction is to bring maritime heritage to life and preserve it for future generations through:

- exhibitions, programs and events that are creative, inclusive, enjoyable and memorable;
- development and management of the National Maritime Collection;
- research, acquisition, conservation, interpretation, scholarship, publication, outreach and education;
- national leadership and the provision of support and encouragement to local, regional and community museums which value maritime heritage;
- national and international cooperation and collaboration with museums and other organisations; and
- fostering traditional skills and practices.

In the year ahead, the ANMM will:

- develop on-line services to increase access to the museum's programs, research projects and library holdings; and
- capitalise on the museum's strong international profile and links.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Agency Australian National Maritime Museum Resource Statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>18,000</b>	-	<b>18,000</b>	14,300
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1 - increased knowledge, appreciation and enjoyment of Australia's waterways and the sea	-	<b>23,069</b>	<b>23,069</b>	23,325
<b>Total ordinary annual services</b>	-	<b>23,069</b>	<b>23,069</b>	<b>23,325</b>
<b>Total Annual Appropriations</b>	-	<b>23,069</b>	<b>23,069</b>	<b>23,325</b>
<b>Total Funds from Government</b>	-	<b>23,069</b>	<b>23,069</b>	<b>23,325</b>
<b>FUNDS FROM OTHER SOURCES</b>				
Interest	-	650	650	450
Sale of goods and services	-	5,530	5,530	5,400
Other	-	570	570	570
<b>Total</b>	-	<b>6,750</b>	<b>6,750</b>	<b>6,420</b>
<b>Total net resourcing for ANMM</b>	<b>18,000</b>	<b>29,819</b>	<b>47,819</b>	<b>44,045</b>

All figures are GST exclusive

ANMM is not directly appropriated as it is a CAC Act body. Appropriations are made to Department of the Environment, Water, Heritage and the Arts which are then paid to ANMM and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

## 1.3 BUDGET MEASURES

There are no Budget measures for the ANMM in 2008-09.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

The Australian National Maritime Museum (ANMM) has one outcome and one output, as described below. Performance indicators and targets are used to assess and monitor the performance of the ANMM in achieving government outcomes.

#### **2.1.1 Outcome 1: Increased knowledge, appreciation and enjoyment of Australia's waterways and the sea**

##### **Outcome 1 Strategy**

The key strategies for the ANMM are identified in Section 1. Major projects and initiatives will be undertaken which contribute to the outcome of the ANMM by:

- developing on-line services to increase access to the museum's programs, research projects and library holdings; and
- capitalising on the museum's strong international profile and links.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources available for Outcome 1**

	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Outcome 1:</b>		
Increased knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea		
<b>Output 1.1:</b>		
Departmental Outputs	B1	
Acquire, manage and maximise accessibility to Australia's marine heritage	23,069	23,325
Revenues from other sources	6,750	6,420
<b>Subtotal for Output 1.1</b>	<b>29,819</b>	<b>29,745</b>
<b>Total resources for Outcome 1</b>	<b>29,819</b>	<b>29,745</b>
<hr/>		
<b>Average staffing level (number)</b>	2008-09 112	2007-08 103

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

**Contributions to Outcome 1**

<b>Output 1.1: Increased knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea</b>	
<p>Components of Output 1.1:                      Acquire, manage and maximise accessibility to Australia's maritime heritage.                      Results to be achieved:</p> <ul style="list-style-type: none"> <li>• permanent, temporary and touring exhibitions;</li> <li>• public programs;</li> <li>• international collaboration and profile;</li> <li>• on-line services; and</li> <li>• community, commercial and government involvement and activities.</li> </ul>	
Key Performance Indicators	2008-09 Target
Visitor satisfaction measured through exit surveys	94% of visitors are satisfied
Media coverage through editorial on the museum, exhibitions and activities	95% of media is positive
Interactions by people with the exhibitions, programs, publications and activities produced by the museum	2,251,000 interactions by visitor



## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The reconciliation of total available appropriation and outcomes is not relevant to the ANMM.

#### 3.1.2 Movement of administered funds between years

There are no movements of administered funds between years for the Australian National Maritime Museum (ANMM).

#### 3.1.3 Special Accounts

There are no special accounts for the ANMM.

#### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Outcome 1 - Increased knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea</b>						
Departmental 2008-09	85	-	-	85	-	85	1.1
<i>Departmental 2007-08</i>	15	-	-	15	-	15	
Total Outcome 2008-09	85	-	-	85	-	85	
<i>Total Outcome 2007-08</i>	15	-	-	15	-	15	
Total Departmental 2008-09	85	-	-	85	-	85	
<i>Total Departmental 2007-08</i>	15	-	-	15	-	15	
<b>Total AGIE 2008-09</b>	85	-	-	85	-	85	
<i>Total AGIE 2007-08</i>	15	-	-	15	-	15	

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Differences in agency resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

### 3.2.2 Analysis of budgeted financial statements

The budgeted financial statements are prepared on an accrual basis.

Other than the impact of the increased efficiency dividend, minimal variations are expected to occur between 2007-08 and 2008-09 in the ANMM's financial statements.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	23,325	23,069	23,120	23,124	23,394
Goods and services	5,400	5,530	5,760	5,720	5,990
Interest	450	650	750	850	850
Other	570	570	570	570	570
<b>Total revenue</b>	<b>29,745</b>	<b>29,819</b>	<b>30,200</b>	<b>30,264</b>	<b>30,804</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>29,745</b>	<b>29,819</b>	<b>30,200</b>	<b>30,264</b>	<b>30,804</b>
<b>EXPENSE</b>					
Employees	8,368	8,635	8,936	9,151	9,477
Suppliers	11,682	11,540	11,586	11,465	11,622
Grants	30	30	30	30	30
Depreciation and amortisation	9,610	9,610	9,610	9,610	9,610
<b>Total expenses</b>	<b>29,690</b>	<b>29,815</b>	<b>30,162</b>	<b>30,256</b>	<b>30,739</b>
<b>Surplus (Deficit) before income tax</b>	<b>55</b>	<b>4</b>	<b>38</b>	<b>8</b>	<b>65</b>
<b>Income tax expense</b>					
<b>Surplus/(Deficit)</b>	<b>55</b>	<b>4</b>	<b>38</b>	<b>8</b>	<b>65</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>55</b>	<b>4</b>	<b>38</b>	<b>8</b>	<b>65</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	17,901	22,478	26,868	31,409	36,137
Trade and other Receivables	658	658	658	708	822
<b>Total financial assets</b>	<b>18,559</b>	<b>23,136</b>	<b>27,526</b>	<b>32,117</b>	<b>36,959</b>
<b>Non-financial assets</b>					
Land and buildings	146,242	143,287	140,322	137,357	133,476
Infrastructure, plant and equipment	30,432	28,768	27,134	25,518	24,724
Heritage and cultural assets	36,284	36,434	36,584	36,734	36,734
Inventories	133	133	133	183	182
Intangibles	587	480	424	273	339
Other	515	514	514	514	615
<b>Total non-financial assets</b>	<b>214,193</b>	<b>209,616</b>	<b>205,111</b>	<b>200,579</b>	<b>196,070</b>
<b>Total assets</b>	<b>232,752</b>	<b>232,752</b>	<b>232,637</b>	<b>232,696</b>	<b>233,029</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	2,269	2,216	2,163	2,313	2,563
<b>Total provisions</b>	<b>2,269</b>	<b>2,216</b>	<b>2,163</b>	<b>2,313</b>	<b>2,563</b>
<b>Payables</b>					
Suppliers	1,495	1,544	1,444	1,345	1,362
Other	136	136	136	136	136
<b>Total payables</b>	<b>1,631</b>	<b>1,680</b>	<b>1,580</b>	<b>1,481</b>	<b>1,498</b>
<b>Total liabilities</b>	<b>3,900</b>	<b>3,896</b>	<b>3,743</b>	<b>3,794</b>	<b>4,061</b>
<b>Net assets</b>	<b>228,852</b>	<b>228,856</b>	<b>228,894</b>	<b>228,902</b>	<b>228,968</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,118	2,118	2,118	2,118	2,118
Reserves	161,697	161,697	161,697	161,697	161,697
Retained surpluses or accumulated deficits	65,037	65,041	65,079	65,087	65,153
<b>Total parent entity interest</b>	<b>228,852</b>	<b>228,856</b>	<b>228,894</b>	<b>228,902</b>	<b>228,968</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>228,852</b>	<b>228,856</b>	<b>228,894</b>	<b>228,902</b>	<b>228,968</b>
<b>Current assets</b>	<b>18,692</b>	<b>23,269</b>	<b>27,659</b>	<b>32,300</b>	<b>37,141</b>
<b>Non-current assets</b>	<b>214,060</b>	<b>209,483</b>	<b>204,978</b>	<b>200,396</b>	<b>195,888</b>
<b>Current liabilities</b>	<b>2,631</b>	<b>2,680</b>	<b>2,580</b>	<b>2,481</b>	<b>2,498</b>
<b>Non-current liabilities</b>	<b>1,269</b>	<b>1,216</b>	<b>1,163</b>	<b>1,313</b>	<b>1,563</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	5,400	5,430	5,560	5,520	5,790
Appropriations	23,325	23,069	23,120	23,124	23,394
Interest	450	650	750	850	850
Other	570	570	570	570	570
<b>Total cash received</b>	<b>29,745</b>	<b>29,719</b>	<b>30,000</b>	<b>30,064</b>	<b>30,604</b>
<b>Cash used</b>					
Employees	8,418	8,688	8,989	9,102	9,323
Suppliers	11,632	11,390	11,486	11,364	11,522
Grants	30	30	30	30	30
<b>Total cash used</b>	<b>20,080</b>	<b>20,108</b>	<b>20,505</b>	<b>20,496</b>	<b>20,875</b>
<b>Net cash from or (used by) operating activities</b>	<b>9,665</b>	<b>9,611</b>	<b>9,495</b>	<b>9,568</b>	<b>9,729</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	6,030	5,034	5,105	5,027	5,001
<b>Total cash used</b>	<b>6,030</b>	<b>5,034</b>	<b>5,105</b>	<b>5,027</b>	<b>5,001</b>
<b>Net cash from or (used by) investing activities</b>	<b>(6,030)</b>	<b>(5,034)</b>	<b>(5,105)</b>	<b>(5,027)</b>	<b>(5,001)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	<b>3,635</b>	<b>4,577</b>	<b>4,390</b>	<b>4,541</b>	<b>4,728</b>
Cash at the beginning of the reporting period	14,266	17,901	22,478	26,868	31,409
<b>Cash at the end of the reporting period</b>	<b>17,901</b>	<b>22,478</b>	<b>26,868</b>	<b>31,409</b>	<b>36,137</b>

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	65,037	161,697	-	2,118	228,852
<b>Adjusted opening balance</b>	65,037	161,697	-	2,118	228,852
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
Surplus (deficit) for the period	4	-	-	-	4
<b>Total income and expenses recognised directly in equity</b>	4	-	-	-	4
<b>Transactions with owners</b>					
<b>Sub-total transactions with owners</b>	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2009</b>	65,041	161,697	-	2,118	228,856



# **National Film and Sound Archive**

**Agency resources and planned  
performance**



# NATIONAL FILM AND SOUND ARCHIVE

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# NATIONAL FILM AND SOUND ARCHIVE

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The National Film and Sound Archive's (NFSA) functions include the development, preservation, maintenance, and promotion of a national audiovisual collection. The primary responsibility of the NFSA is to manage the national collection in its care and ensure that current and future generations of Australians are able to experience and enjoy all the treasures which it holds. The national collection now contains over 1.4 million items, and comprises film, video, audio recordings, associated documentation and artefacts and digital production including websites.

The NFSA's key functions are to:

- maintain, develop and interpret a national collection of moving image and recorded sound material, including a collection of documents and artefacts relating to the creation and distribution of audiovisual works;
- preserve, and ensure the permanence of, the national collection of moving image and recorded sound works for the benefit of posterity and in the national interest;
- make accessible the collection to the widest possible audience, according to curatorial principles;
- present the history, art, technology and culture of moving image and recorded sound through a diversity of programs, including the curated exhibition of moving image and recorded sound works; scholarly study of moving image and recorded sound; interpretation of audiovisual works; engagement between the creators and their public; knowledge of Australian cultures and their role in the international context;
- develop awareness and appreciation of Australian audio visual culture and encourage audiences to consume or engage with screen programs.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: National Film and Sound Archive resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>3,232</b>	<b>-</b>	<b>3,232</b>	<b>-</b>
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	25,172	25,172	-
<b>Total ordinary annual services</b>		<b>25,172</b>	<b>25,172</b>	<b>-</b>
<b>Total Annual Appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Funds from Government</b>	<b>-</b>	<b>25,172</b>	<b>25,172</b>	<b>-</b>
<b>Total net resourcing for NFSA</b>	<b>-</b>	<b>25,172</b>	<b>28,404</b>	<b>-</b>

All figures are GST exclusive

<sup>1</sup> Appropriation Bill (No.1) 2008-09

## 1.3 BUDGET MEASURES

There are no new measures for the National Film and Sound Archive for 2008-09.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the National Film and Sound Archive (NFSA) in achieving Government outcomes.

#### **2.1.1 Outcome 1: Maintain the national audiovisual collection**

To develop, preserve, maintain and promote the national audiovisual collection and provide access to audiovisual material of historic and cultural significance, so that audiences have the opportunity to understand and appreciate Australia's audiovisual history.

##### **Outcome 1 Strategy**

The NFSA aims to collect all Australian feature length films and commercial sound recordings produced in any one year, a selection of short films, television works, radio programs and associated documents and artefacts and a representative sample of the best of world cinema. In addition, the NFSA carries out a program of targeted retrospective gap filling to ensure the collection is comprehensive and representative. In the absence of a legal deposit regime, the NFSA proactively develops the collection through industry partnerships and agreements and on a case-by-case basis.

The NFSA preserves the collection using active and passive measures. Active preservation requires a high degree of intervention to firstly conserve the original material and get it to a reproducible condition, before copying it to a more contemporary format. A number of preservation projects are identified each year based on a collection risk assessment and curatorial priorities. Passive preservation involves slowing or arresting the future deterioration of original media by storing it under very tightly controlled environmental conditionings.

Presentation of the collection and related collections and making the collection more readily available to the general public and industry sectors includes: the progressive digitisation of the collection (subject to resource limitations), restorations of iconic works which are of high promotion value and presentable both nationally and internationally; ongoing connection with targeted Indigenous communities in regional and remote Australia to identify and return copies of culturally significant works;

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further development of the Arc screening program, the Centre for Scholarly and Archival Research, the NFSA Journal, the National Filmography and Discography, the National Registry of Audiovisual Collections and the provision of collection access centres Australia wide.

The NFSA will promote the development and appreciation of screen culture primarily through providing opportunities for the public to access and engage with a range of diverse screen activities. The NFSA will place an emphasis on regional activity and the educational sector. In so doing it will work cooperatively with the newly created Screen Australia which will also have a range of responsibilities in relation to the promotion and appreciation of screen culture both nationally and internationally.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1. The total appropriation for the NFSA in the 2008-09 Budget is \$25.2 million.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Maintain the national audiovisual collection</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 1.1 Develop, preserve and present Australia's national collection and other related collections and make them available to all Australians</b>		
<b>Departmental Outputs</b>		
Appropriation Bill 1	B1 25,172	-
<b>Other Resources available to be used</b>	-	-
<b>Total Resources</b>	25,172	-
(Total revenue from Government and other sources)		

	2008-09	2007-08
<b>Average staffing level (number)</b>	185	-

(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

**Contributions to Outcome 1**

<b>Output 1.1: Develop, preserve and present Australia's national collection and other related collections and make them available to all Australians</b>	
Components of Output Group 1.1: Develop, preserve and present Australia's national collection and other related collections and make them available to all Australians.	
Key Performance Indicators	2008-09 Target
The national audiovisual collection is comprehensive and representative, in compliance with the NFSA Collection Policy	60 Australian feature length films acquired (comprises: current production; Indigenous production; targeted retrospective gap filling – 1970's and 1980's production)  100 Australian short films acquired (comprises: current productions; Indigenous productions; targeted retrospective gap filling – drama, experimental, animated productions from 1990's onwards)  2,000 television/new media works acquired (comprises: current production including Indigenous output and targeted retrospective gap filling – drama, variety and specials 1970-2005)  8,000 recorded sound works acquired (comprises: contemporary record industry output; selective contemporary community and commercial radio; specific focus on Indigenous production and retrospective gap filling – Indigenous and multicultural voices, experimental sound recordings, radio broadcasts 1960's onwards)  10,000 associated documents and artefacts related to the above titles
A representative collection of key international works is available and accessible and presented in their original format in compliance with the NFSA Collection Policy	200 international film titles and 50 international sound recordings acquired on the basis of iconic status and national exhibition potential
The national collection is maintained and kept safe according to audiovisual storage standards	Storage standards achieved within set parameters 95% of the time
The national collection is preserved and accessible in accordance with the NFSA Collection Policy	230 film titles preserved (250,000 feet of film created for preservation)  2,150 video titles preserved (1,600 hours copied for preservation)  2,400 recorded sound titles preserved (1,900 hours copied for preservation)  2,500 related documents and artefacts preserved

National Film and Sound Archive Budget Statements

<b>Output 1.1: Develop, preserve and present Australia's national collection and other related collections and make them available to all Australians</b>	
Visitors and audiences experience programs which represent the variety and significance of the national audiovisual culture (e.g. film screenings, sound events, exhibitions, NFSA Journal, Centre for Scholarly and Archival Research)	142,000 interactions with the national collection and related collections 465,000 unique visits to the NFSA website
Users, audiences and visitors receive appropriate and timely services and programs	100% of service charter obligations met  95% of those surveyed are at least satisfied
The collection is widely and easily available	6,500 collection works physically accessed across Australia and internationally through a diverse range of media and services (e.g. Centre for Scholarly and Archival Research, NFSA Library, NFSA interstate auditioning facilities and access centres) and by an audience comprising industry, general public, cultural, education and heritage sectors  138,000 unique visits to <i>Search The Collection</i> (NFSA online collection search facility)  Increased digital collection items available to users online via <i>Search The Collection</i> (i.e. > 13,600)
Screen culture activities are maintained or increased	NFSA-funded touring programs (Big Screen and Black Screen) visit at least 150 centres during 2008–09  Black Screen provides opportunities for local communities, embassies and diplomatic posts to access indigenous films during NAIDOC Week  The School Screen program and other educational programs provide access for at least 10,000 Australian school children to Australia's audiovisual heritage and produce at least two new resources promoting screen culture through primary and secondary schools
The NFSA works with other collecting and cultural institutions, including national, state based, and international, to deliver acquisition, preservation and access outcomes	A number of partnerships that demonstrate a high degree of quality interaction with a range of organisations, including but not limited to, other national collecting institutions and Screen Australia

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The reconciliation of total available appropriation and outcomes is not relevant to the National Film and Sound Archive (NFSA).

#### 3.1.2 Movement of administered funds between years

There are no movement of administered funds between years for the NFSA.

#### 3.1.3 Special Accounts

The NFSA has no special accounts.

#### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>National Film and Sound Archive</b>						
<b>Outcome 1</b>							
Administered 2008-09	503	-	-	503	-	503	1.1
<i>Administered 2007-08</i>	-	-	-	-	-	-	
<b>Total Outcome 2008-09</b>	<b>503</b>	<b>-</b>	<b>-</b>	<b>503</b>		<b>503</b>	
<i>Total Outcome 2007-08</i>							
Total Administered 2008-09	503	-	-	503	-	503	
<i>Total Administered 2007-08</i>	-	-	-	-	-	-	
<b>Total AGIE 2008-09</b>	<b>503</b>	<b>-</b>	<b>-</b>	<b>503</b>	<b>-</b>	<b>503</b>	
<i>Total AGIE 2007-08</i>	-	-	-	-	-	-	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

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

#### **Budgeted Departmental Income Statement**

##### Operating Result

The NFSA is budgeting for a break-even operating result for 2008–09 and for the remainder of the forward estimates.

##### Operating Revenue

The NFSA's appropriation for 2008–09 is \$25.2 million. This incorporates the transfer of the following from 2008–09: the Big Screen, Black Screen and School Screen programs from the Australian Film Commission, funding for Board and Chief Executive Officer (CEO) costs from Film Australia Limited and depreciation funding for the National Film Video Lending Service (NFVLS) from the National Library of Australia.

##### Operating Expense

Total expenses, including borrowing costs, for 2008–09 are estimated to be \$25.2 million. These expenses will be used to fund activities that contribute towards achieving output 1.1. Full apportionment of the expenses relating to the new measures will be undertaken by the Board and CEO of the new agency once it is operational, from 1 July 2008.

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

Movements in assets and equity represent the establishment of the NFSA.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	-	25,172	25,428	25,587	25,846
<b>Total revenue</b>	-	25,172	25,428	25,587	25,846
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	-	25,172	25,428	25,587	25,846
<b>EXPENSE</b>					
Employees	-	872	891	911	931
Grants	-	24,300	24,537	24,676	24,915
<b>Total expenses</b>	-	25,172	25,428	25,587	25,846
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis

Note: As the NFSA is not formally constituted until 1 July, the Financial Statements are indicative estimates only

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Trade and other Receivables	-	3,232	3,232	3,232	3,232
<b>Total financial assets</b>	-	3,232	3,232	3,232	3,232
<b>Non-financial assets</b>					
<b>Total non-financial assets</b>	-	-	-	-	-
Assets held for sale					
<b>Total assets</b>	-	3,232	3,232	3,232	3,232
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
<b>Total provisions</b>	-	-	-	-	-
<b>Payables</b>					
<b>Total payables</b>	-	-	-	-	-
Liabilities included in disposal groups held for sale					
<b>Total liabilities</b>	-	-	-	-	-
<b>Net assets</b>	-	3,232	3,232	3,232	3,232
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
<b>Total parent entity interest</b>	-	-	-	-	-
<b>Minority interest</b>					
Contributed equity	-	3,232	3,232	3,232	3,232
<b>Total minority interest</b>	-	3,232	3,232	3,232	3,232
<b>Total equity</b>	-	3,232	3,232	3,232	3,232
<b>Current assets</b>	-	3,232	3,232	3,232	3,232
<b>Non-current assets</b>	-	-	-	-	-
<b>Current liabilities</b>	-	-	-	-	-
<b>Non-current liabilities</b>	-	-	-	-	-

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	-	21,940	25,428	25,587	25,846
<b>Total cash received</b>	-	21,940	25,428	25,587	25,846
<b>Cash used</b>					
Employees	-	872	891	911	931
Grants	-	24,300	24,537	24,676	24,915
<b>Total cash used</b>	-	25,172	25,428	25,587	25,846
<b>Net cash from or (used by) operating activities</b>	-	(3,232)	-	-	-
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	-	-	-	-	-
Cash at the beginning of the reporting period	-	3,232	-	-	-
<b>Cash at the end of the reporting period</b>	-	3,232	-	-	-

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
<b>Adjusted opening balance</b>	-	-	-	-	-
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
Contribution by owners					
Other:					
Restructuring	3,322	-	-	-	3,322
<b>Sub-total transactions with owners</b>	3,322	-	-	-	3,322
<b>Estimated closing balance as at 30 June 2009</b>	3,232	-	-	-	3,232

### 3.2.4 Notes to the Financial Statements

#### Departmental

##### Basis of accounting

The NFSA's Budgeted Departmental Financial Statements have been prepared on an accrual basis and in accordance with the Australian Accounting Standards, the Accounting Interpretations issued by the Australian Accounting Standards Board and Urgent Issues Group Abstracts.

##### Cash at Bank and Investments under S18 of the CAC Act

For the purposes of the Budgeted Departmental Statement of Cash Flows, cash includes cash on hand, deposits held at call with banks and investments in term deposits maturing within 90 days or less.

##### Non-Financial Assets

Purchases of property (land, buildings and leasehold improvements), plant and equipment, and heritage and cultural assets are recognised initially at cost in the budgeted departmental Balance Sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition.

The NFSA owns land and buildings located in Canberra. Other major non-financial assets include heritage and cultural assets and plant and equipment. Heritage and cultural assets refers to the national collection of film, television, video, radio and recorded sound materials. Other non-financial assets include prepayments.

**Asset valuation**

The NFSA uses fair value as the basis for valuing its property, plant and equipment, and heritage and cultural assets. Valuations undertaken in any year are as at 30 June.

**Depreciation and amortisation**

Depreciable plant and equipment and leased computer equipment assets are written-off to their estimated residual values over their estimated useful lives using in all cases the straight line method of depreciation. Leasehold improvements are amortised on a straight line basis over the lesser of the estimated life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised.

**Receivables**

A provision is raised for any doubtful debts based on a review of the collectability of all outstanding accounts as at year end. Bad debts are written off during the year in which they are identified. Receivables primarily comprise amounts receivable from the sale of goods and services and GST receivable.

**Liabilities – Leases**

This item contains the estimated amount owing by the NFSA in respect of finance leases for computer equipment.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Income Statement on a basis that is representative of the pattern of benefits derived from the lease assets.

**Provisions**

Provisions predominantly relate to employee annual leave and long service leave entitlements.

**Payables**

Other payables predominantly relates to the NFSA's Mitchell storage facility lease, which provides for a lease incentive in the form of a free rental period at the inception of the lease. The proposed lease incentive has been accounted for in accordance with UIG Abstract 3, *Lease Incentives* and UIG Interpretation 115, *Operating Leases - Incentives*, which require the lease incentive to be treated as a liability. The liability then reduces over the lease term as it is repaid through a component of the periodic rental payments.

**Equity**

Amounts appropriated which are designated as equity injections are recognised directly in contributed equity. The NFSA receives \$0.1 million in equity injections each year to assist with the acquisition of new audiovisual material.

# **National Gallery of Australia**

## **Agency resources and planned performance**



# NATIONAL GALLERY OF AUSTRALIA

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# NATIONAL GALLERY OF AUSTRALIA

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The purpose of the National Gallery of Australia (NGA) is to serve the public by enhancing understanding and enjoyment of the visual arts. It will serve the public through the effective and efficient use of its collections, which will be developed, researched, preserved, displayed, interpreted, promoted and complemented with exhibitions and loans. The NGA's aim is to provide access to works of art and information about them locally, nationally and internationally.

This purpose is consistent with the *National Gallery of Australia Act 1975* which requires the NGA to:

- develop and maintain its collection of works of art;
- exhibit, or make available for exhibition by others, works of art from the NGA's collection, or works of art that are in the possession of the NGA; and
- use every endeavour to make most advantageous use of the national collection in the national interest.

The NGA will demonstrate its commitment to fulfilling its national charter by providing improved access to the visual arts and engagement with the Australian people. In 2009 the NGA will open the Stage 1 Indigenous Galleries and New Entrance with improved visitor facilities and purpose designed galleries for Aboriginal and Torres Strait Islander art. With significant parts of the national visual arts collection now without equal, the NGA will protect, preserve and grow the collection in breadth and depth. The NGA will present compelling displays of art and exhibitions of the highest quality in Canberra as well as touring exhibitions across Australia. It will also seek to increase access to the collection locally, nationally and internationally through loans, partnerships and joint ventures.

The NGA's respected educational, research, scholarship and publishing activities, promotion and public profile will contribute to Australia's cultural enrichment. Underpinning these programs will be high standards of governance, entrepreneurial activity and best museum practice by its staff. The NGA will seek to maximise opportunities to encourage public and corporate support.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: NGA resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	13,333	-	<b>13,333</b>	15,421
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	41,796	41,796	42,446
<b>Total ordinary annual services</b>	-	<b>41,796</b>	<b>41,796</b>	<b>42,446</b>
<b>Other services</b>				
<i>Non-Operating</i>	-	36,698	36,698	15,797
<b>Total other services</b>	-	<b>36,698</b>	<b>36,698</b>	<b>15,797</b>
<b>Total Annual Appropriations</b>	-	<b>78,494</b>	<b>78,494</b>	<b>58,243</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	1,105	1,105	1,080
<i>Dividends</i>	-	75	75	75
<i>Sale of goods and services</i>	-	3,781	3,781	3,671
<i>Other</i>	-	850	850	850
<b>Total</b>	-	<b>5,811</b>	<b>5,811</b>	<b>5,676</b>
<b>Total net resourcing for NGA</b>	<b>13,333</b>	<b>84,305</b>	<b>97,638</b>	<b>79,340</b>

All figures are GST exclusive

The NGA is not directly appropriated as it is a CAC Act body. Appropriations are made to DEWHA which are then paid to the NGA and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

## 1.3 BUDGET MEASURES

There are no Budget measures affecting the NGA in the 2008-09 Budget.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the National Gallery of Australia (NGA) in achieving Government outcomes.

#### **2.1.1 Outcome 1: Encourage understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.**

##### **Outcome 1 Strategy**

The enhancement of people's understanding and enjoyment of the visual arts is an aim of the Government as it confers social benefits on the Australian community and enhances the reputation of Australia in the international art world. The main focus is on developing and maintaining a quality collection and providing access to and information about both the collection and works of art on loan to the NGA.

The NGA leads the way in Australia in developing a premier collection and through the use it makes of the collection in service to the public. The NGA develops, researches, preserves, displays, interprets and promotes the collection, complemented with exhibitions, loans and access to works of art. In addition the NGA enhances the understanding and enjoyment of the visual arts through an innovative public program, information in multimedia and published forms and a diverse education program.

In 2008-09 the NGA will continue to develop and maintain the collection. It will continue to provide access to the collection through exhibitions, displays and public programs in the National Gallery building, which is based in Canberra. Access will also be provided nationally and internationally through travelling exhibitions and loans of works from the collection.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1:</b>	2008-09	2007-08
Encourage understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally.	Total estimate of available resources \$'000	Estimated actual \$'000
<b>Output 1.1: Collection Development</b>		
Departmental Output	5,505	5,590
Revenues from other sources	1,044	1,022
<b>Subtotal for Output 1.1</b>	<b>6,549</b>	<b>6,612</b>
<b>Output 1.2: Collection Management</b>		
Departmental Outputs	9,212	9,355
Revenues from other sources	1,748	1,709
<b>Subtotal for Output 1.2</b>	<b>10,960</b>	<b>11,064</b>
<b>Output 1.3: Access to and Promotion of Works of Art</b>		
Departmental Outputs	27,079	27,501
Revenues from other sources	5,138	5,024
<b>Subtotal for Output 1.3</b>	<b>32,217</b>	<b>32,525</b>
<b>Total resources for Outcome 1</b>	<b>49,726</b>	<b>50,201</b>
<hr/>		
<b>Average staffing level (number)</b>	2008-09 242	2007-08 242

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

<b>Output 1.1: Collection Development</b>	
<p>Components of Output 1.1:</p> <p>The NGA aims to build a collection of works of art of outstanding quality through acquisition, gift and bequest, and through disposal.</p>	
Key Performance Indicators	2008-09 Target
Percentage of works of art acquired in accordance with the endorsed Acquisition Policy and the rigorous 10-Year Acquisition Strategy	100%
Percentage of works of art acquired researched and documented	100%
Number of works of art deaccessioned during the year	5

<b>Output 1.2: Collection Management</b>	
<p>Components of Output 1.2:</p> <p>The NGA's collection is accessioned and documented to account for each work in the collection. Works of art are catalogued to provide information about the collection and to enable access to that information. The NGA stores, secures and conserves its collection in order to preserve it for the Australian people now and in the future.</p>	
Key Performance Indicators	2008-09 Target
Percentage of collection documented in accordance with endorsed standards	100%
Number of works of art digitised	10,000
Number of works of art subjected to conservation treatment	1,800
Number of incidents of significant damage or deterioration to works of art in the collection or on loan to the NGA	Nil
Percentage of the national collection reviewed to assess condition and maintenance requirements	4%
Percentage of works identified for maintenance are treated in accordance with endorsed priorities	100%

<b>Output 1.3: Access to and Promotion of Works of Art</b>	
<p>Components of Output 1.3:</p> <p>The NGA provides access to works of art by displaying, exhibiting and lending its collection, as well as borrowing works from other sources. Access to works from the collection which are not on display is also provided. The NGA enhances the understanding, knowledge and enjoyment of art by providing information about and promoting the benefits of works of art through visitor services, education, and public programs and through multimedia. The NGA seeks to achieve the widest possible audience both in attracting visitors to the Gallery and by sending works of art around Australia and overseas thereby improving access to works of art and providing information about them.</p>	
Key Performance Indicators	2008-09 Target
Number of people visiting the NGA as well as accessing the national art collection through travelling exhibitions and loans	3,000,000
Percentage of NGA visitors surveyed satisfied with displays and exhibitions	85%
Number of people who accessed information via the NGA's research library, collection study room and website	1,000,000
Number of works of art from the national collection loaned nationally and internationally	1,200
Number of attendees at NGA events	110,000
Percentage of attendees satisfied with NGA events	85%

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The reconciliation of total available appropriation and outcomes is not relevant to the National Gallery of Australia (NGA).

#### 3.1.2 Movement of administered funds between years

The NGA does not administer any funds on behalf of Government.

#### 3.1.3 Special Accounts

The NGA does not manage any special accounts.

#### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>National Gallery of Australia</b>						
<b>Outcome 1</b>							
Departmental 2008-09	455	-	-	455	-	455	1.3
Departmental 2007-08	647	-	-	647	-	647	1.3
<b>Total AGIE 2008-09</b>	<b>455</b>	<b>-</b>	<b>-</b>	<b>455</b>	<b>-</b>	<b>455</b>	
<i>Total AGIE 2007-08</i>	<i>647</i>	<i>-</i>	<i>-</i>	<i>647</i>	<i>-</i>	<i>647</i>	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

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

#### **Departmental**

The budgeted financial statements are prepared on an accrual basis and are in accordance with the Australian Equivalents to International Financial Reporting Standards (AEIFRS). An analysis of the budgeted statements for 2008–09 is provided below.

#### **Income Statement**

The NGA has budgeted for a \$0.02 million surplus for 2008–09.

Total revenue is expected to be \$49.7 million, a decrease of \$0.5 million from the 2007–08 estimated actual. This decrease is in part due to appropriation revenue reducing by \$0.7 million due to efficiency dividend adjustments offset by slight increases in revenue from independent sources which includes sale of goods and services, gifts, donations and interest which is expected to increase by \$0.2 million. This increase is primarily due to an estimated increase in the sale of goods and services revenue.

Total expenses for 2008–09 are estimated to be \$49.7 million which is a decrease of \$0.5 million from the estimated expenses for 2007–08. The decrease is attributable to a reduction in supplier expenses.

#### **Balance Sheet**

The NGA's total assets are budgeted to increase in 2008–09 by \$36.7 million. This mainly comprises capital expenditure on improvements to the building and purchases of works of art. The NGA receives a capital injection of \$4.0 million per annum and donations in cash and in-kind for the development of its collection of works of art. In 2008–09 the NGA will also receive a \$32.7 million equity injection to be applied to the Stage 1 Indigenous Galleries and New Entrance building project.

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

The cash balance is budgeted to decrease marginally by \$0.4 million in 2008–09. This is due to expenditure and funding timing differences for the building project and purchases of heritage and cultural assets.

## 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	42,446	41,796	43,153	44,425	44,926
Goods and services	5,450	5,600	5,918	6,210	6,521
Interest	1,080	1,105	1,130	1,130	1,130
Dividends	75	75	75	75	75
Other	1,150	1,150	1,150	1,150	1,150
<b>Total revenue</b>	<b>50,201</b>	<b>49,726</b>	<b>51,426</b>	<b>52,990</b>	<b>53,802</b>
<b>Gains</b>	-	-	-	-	-
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>50,201</b>	<b>49,726</b>	<b>51,426</b>	<b>52,990</b>	<b>53,802</b>
<b>EXPENSE</b>					
Employees	18,359	18,463	19,397	20,574	20,939
Suppliers	15,256	14,656	14,638	13,409	13,674
Grants					
Depreciation and amortisation	16,469	16,512	17,255	18,293	18,670
Finance costs	-	-	-	630	420
Write-down of assets and impairment of assets	75	75	75	75	75
<b>Total expenses</b>	<b>50,159</b>	<b>49,706</b>	<b>51,365</b>	<b>52,981</b>	<b>53,778</b>
<b>Surplus (Deficit) before income tax</b>	<b>42</b>	<b>20</b>	<b>61</b>	<b>9</b>	<b>24</b>
<b>Income tax expense</b>					
<b>Surplus/(Deficit)</b>	<b>42</b>	<b>20</b>	<b>61</b>	<b>9</b>	<b>24</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>42</b>	<b>20</b>	<b>61</b>	<b>9</b>	<b>24</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	13,333	12,896	12,582	11,727	12,725
Trade and other Receivables	387	387	387	387	387
Investments	2,467	2,467	2,467	2,467	2,467
Other	352	352	352	352	352
<b>Total financial assets</b>	<b>16,539</b>	<b>16,102</b>	<b>15,788</b>	<b>14,933</b>	<b>15,931</b>
<b>Non-financial assets</b>					
Land and buildings	193,625	226,393	237,860	236,188	233,038
Infrastructure, plant and equipment	2,208	1,808	1,408	1,108	808
Heritage and cultural assets	3,251,173	3,255,787	3,260,401	3,264,312	3,267,885
Inventories	1,160	1,085	1,010	935	935
Intangibles	304	541	778	778	778
Other	156	156	156	156	156
<b>Total non-financial assets</b>	<b>3,448,626</b>	<b>3,485,770</b>	<b>3,501,613</b>	<b>3,503,477</b>	<b>3,503,600</b>
Assets held for sale					
<b>Total assets</b>	<b>3,465,165</b>	<b>3,501,872</b>	<b>3,517,401</b>	<b>3,518,410</b>	<b>3,519,531</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	-	-	9,000	6,000	3,000
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>9,000</b>	<b>6,000</b>	<b>3,000</b>
<b>Provisions</b>					
Employees	4,898	5,022	5,157	5,157	5,254
<b>Total provisions</b>	<b>4,898</b>	<b>5,022</b>	<b>5,157</b>	<b>5,157</b>	<b>5,254</b>
<b>Payables</b>					
Suppliers	4,880	4,745	4,611	4,611	4,611
<b>Total payables</b>	<b>4,880</b>	<b>4,745</b>	<b>4,611</b>	<b>4,611</b>	<b>4,611</b>
<b>Total liabilities</b>	<b>9,778</b>	<b>9,767</b>	<b>18,768</b>	<b>15,768</b>	<b>12,865</b>
<b>Net assets</b>	<b>3,455,387</b>	<b>3,492,105</b>	<b>3,498,633</b>	<b>3,502,642</b>	<b>3,506,666</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	112,512	149,210	155,677	159,677	163,677
Reserves	2,693,134	2,693,134	2,693,134	2,693,134	2,693,134
Retained surpluses or accumulated deficits	649,741	649,761	649,822	649,831	649,855
<b>Total parent entity interest</b>	<b>3,455,387</b>	<b>3,492,105</b>	<b>3,498,633</b>	<b>3,502,642</b>	<b>3,506,666</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>3,455,387</b>	<b>3,492,105</b>	<b>3,498,633</b>	<b>3,502,642</b>	<b>3,506,666</b>
<b>Current assets</b>	<b>16,695</b>	<b>16,258</b>	<b>15,944</b>	<b>15,089</b>	<b>16,087</b>
<b>Non-current assets</b>	<b>3,448,470</b>	<b>3,485,614</b>	<b>3,501,457</b>	<b>3,503,321</b>	<b>3,503,444</b>
<b>Current liabilities</b>	<b>9,043</b>	<b>9,014</b>	<b>8,994</b>	<b>8,994</b>	<b>9,077</b>
<b>Non-current liabilities</b>	<b>735</b>	<b>753</b>	<b>9,774</b>	<b>6,774</b>	<b>3,788</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	5,450	5,600	5,918	6,508	6,519
Appropriations	42,446	41,796	43,153	44,425	44,926
Interest	1,080	1,105	1,130	1,130	1,130
Dividends	75	75	75	75	75
Other	850	850	850	850	850
<b>Total cash received</b>	<b>49,901</b>	<b>49,426</b>	<b>51,126</b>	<b>52,988</b>	<b>53,500</b>
<b>Cash used</b>					
Employees	18,238	18,338	19,259	20,574	20,842
Suppliers	15,418	14,792	14,775	13,700	13,747
Borrowing costs	-	-	-	630	420
<b>Total cash used</b>	<b>33,656</b>	<b>33,130</b>	<b>34,034</b>	<b>34,904</b>	<b>35,009</b>
<b>Net cash from or (used by) operating activities</b>	<b>16,245</b>	<b>16,296</b>	<b>17,092</b>	<b>18,084</b>	<b>18,491</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	34,130	53,431	32,873	19,939	18,493
<b>Total cash used</b>	<b>34,130</b>	<b>53,431</b>	<b>32,873</b>	<b>19,939</b>	<b>18,493</b>
<b>Net cash from or (used by) investing activities</b>	<b>(34,130)</b>	<b>(53,431)</b>	<b>(32,873)</b>	<b>(19,939)</b>	<b>(18,493)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	15,797	36,698	6,467	4,000	4,000
Other	-	-	9,000	-	-
<b>Total cash received</b>	<b>15,797</b>	<b>36,698</b>	<b>15,467</b>	<b>4,000</b>	<b>4,000</b>
<b>Cash used</b>					
Repayments of debt	-	-	-	3,000	3,000
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>3,000</b>
<b>Net cash from or (used by) financing activities</b>	<b>15,797</b>	<b>36,698</b>	<b>15,467</b>	<b>1,000</b>	<b>1,000</b>
<b>Net increase or (decrease) in cash held</b>	<b>(2,088)</b>	<b>(437)</b>	<b>(314)</b>	<b>(855)</b>	<b>998</b>
Cash at the beginning of the reporting period	15,421	13,333	12,896	12,582	11,727
<b>Cash at the end of the reporting period</b>	<b>13,333</b>	<b>12,896</b>	<b>12,582</b>	<b>11,727</b>	<b>12,725</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	649,741	2,693,134	-	112,512	3,455,387
<b>Adjusted opening balance</b>	649,741	2,693,134	-	112,512	3,455,387
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
Surplus (deficit) for the period	20	-	-	-	20
<b>Total income and expenses recognised directly in equity</b>	20	-	-	-	20
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	36,698	36,698
<b>Sub-total transactions with owners</b>	-	-	-	36,698	36,698
<b>Estimated closing balance as at 30 June 2009</b>	649,761	2,693,134	-	149,210	3,492,105

Prepared on Australian Accounting Standards basis.

# **National Library of Australia**

## **Agency resources and planned performance**



# NATIONAL LIBRARY OF AUSTRALIA

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# NATIONAL LIBRARY OF AUSTRALIA

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The functions of the National Library of Australia (NLA) are defined in the *National Library Act 1960*:

- to maintain and develop a national collection of Library material, including a comprehensive collection of library material relating to Australia and the Australian people;
- to make Library material in the national collection available;
- to make available such other services in relation to Library matters and Library material as determined by the National Library Council; and
- to cooperate in Library matters with authorities or persons, whether in Australia or elsewhere, concerned with Library matters.

The NLA actively supports learning, creative and intellectual endeavour and the dissemination of knowledge, ideas and information. The NLA has a strong national focus in its outlook, services, products and activities and is committed to a leadership role in sharing expertise and coordinating key projects.

The NLA's broad strategic objective is to continue to enhance learning and knowledge creation by further simplifying and integrating services that allow users to find and get material, and by establishing new ways of collecting, sharing, recording, disseminating and preserving knowledge.

The NLA has published its strategic Direction document which is available at <http://www.nla.gov.au/library/directions.html>. There are five strategic objectives and these are summarised below.

Objective 1: To ensure that a significant record of Australia and Australians is collected and safeguarded.

Objective 2: To meet the needs of NLA users for rapid and easy access to the national collection and other resources.

*National Library of Australia Budget Statements*

Objective 3: To demonstrate the NLA's prominence in Australia's cultural, intellectual and social life and to foster an understanding and enjoyment of the NLA and its collections.

Objective 4: To ensure that Australians have access to vibrant and relevant information services.

Objective 5: To ensure the NLA's continued relevance in a rapidly changing world, participate in new online communities and enhance the NLA's visibility.

From 1 July 2008 the NLA formally transferred the National Film and Video Collection to the National Film and Sound Archive. The value of the collection to be transferred is \$8.6 million and as a consequence the NLA's appropriation has been reduced by \$0.4 million, which represents the associated depreciation expense.

The main challenges facing the Library during the 2008-09 financial year include the continuing requirement to identify and achieve efficiencies; the care and maintenance of a growing national collection; and the need to operate in a digital world including the requirement to collect, preserve and make digital collections accessible to NLA users.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: National Library of Australia resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	41,124	-	<b>41,124</b>	<b>48,142</b>
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	57,680	57,680	58,285
<b>Total ordinary annual services</b>	<b>-</b>	<b>57,680</b>	<b>57,680</b>	<b>58,285</b>
<b>Other services</b>				
<i>Non-Operating</i>	-	1,030	1,030	7,095
<b>Total other services</b>	<b>-</b>	<b>1,030</b>	<b>1,030</b>	<b>7,095</b>
<b>Total Annual Appropriations</b>	<b>-</b>	<b>58,710</b>	<b>58,710</b>	<b>65,380</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	3,520	3,520	1,960
<i>Sale of goods and services</i>	-	6,797	6,797	6,848
<i>Other</i>	-	719	719	784
<b>Total</b>	<b>-</b>	<b>11,036</b>	<b>11,036</b>	<b>9,592</b>
<b>Total net resourcing for Agency</b>	<b>-</b>	<b>69,746</b>	<b>110,870</b>	<b>123,114</b>

All figures are cash based and GST exclusive

The NLA is not directly appropriated as it is a CAC Act body. Appropriations are made to DEWHA which are then paid to the NLA and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

## 1.3 BUDGET MEASURES

There are no Budget measures for the NLA in 2008-09.



## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

The National Library of Australia's (NLA) outcome is described below, specifying the performance indicators and targets used to assess and monitor the performance of the NLA in achieving Government outcomes.

#### 2.1.1 Outcome 1: Australians have access to a national collection of library material to enhance learning, knowledge creation, enjoyment and understanding of Australian life and society

##### Outcome 1 Strategy

In 2008–09 the NLA will achieve its Outcome by:

- Collecting and preserving Australia's documentary heritage. In particular, the NLA will collect Australian printed publications under the legal deposit section of the *Copyright Act 1968* and selected materials in other formats including oral histories, manuscripts, pictures and electronic publications. The NLA will also harvest and archive a snapshot of the Australian (i.e. au) Internet domain.

A major initiative in this area for 2008–09 is to complete the major refurbishment of the podium surrounding the main NLA building in order to ensure collections stored below ground are adequately protected.

- Providing access to the NLA's collections to all Australians through services to users in the main NLA building and nationally through online information services. In particular, the NLA will provide reference and lending services to both its on-site users and to those outside Canberra via online services; digitise selected resources from its Australian collection to enable these resources to be viewed by all Australians from the place and at the time of their choosing; and hold diverse programs of exhibitions and events.

*National Library of Australia Budget Statements*

The NLA's major initiatives in this area for 2008–09 are to:

- Create a permanent display to the public of its iconic collection items.
  - Continue a major project to digitise out-of-copyright Australian newspapers.
  - Complete development of an online audio delivery system and commence delivery of oral histories online so that they can be accessed by all Australians.
  - Continue development of a rights management system to facilitate access for users to in-copyright resources.
- Collaborating nationally and internationally to ensure that Australians have access to the information resources they need on a professional and personal level to undertake their research, study and life-long learning and to understand and appreciate Australia's history and culture. In particular, the NLA will develop its services so that Australians from all backgrounds can easily find and get a copy of the information resources they require; work cooperatively with other collecting institutions to improve online services by developing common standards and sharing expertise and knowledge; and represent the interests of the Australian library sector nationally and internationally.

The NLA's major initiatives in this area for 2008–09 are to:

- Commence a major three year project to better integrate its online services so that Australians can find the information they need through a single point of access.
- Participate in a Mellon Foundation funded project led by Duke University in the United States to develop an open source library system to support our internal collection management.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Australians have access to a national collection of library material to enhance learning, knowledge creation, enjoyment and understanding of Australian life and society</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 1.1: The Collection</b>		
Departmental Output	35,536	36,204
Revenues from other sources	5,371	4,033
<b>Subtotal for Output 1.1</b>	<b>40,907</b>	40,237
<b>Output 1.2: Information Services</b>		
Departmental Output	20,794	20,047
Revenues from other sources	3,291	3,272
<b>Subtotal for Output 1.2</b>	<b>24,085</b>	23,319
<b>Output 1.3: Collaborative Services</b>		
Departmental Output	1,350	2,034
Revenues from other sources	4,969	4,372
<b>Subtotal for Output 1.3</b>	<b>6,319</b>	6,406
<b>Total resources for Outcome 1</b>	<b>71,311</b>	69,962
<hr/>		
<b>Average staffing level (number)</b>	<b>430</b>	439

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

<b>Output 1.1: The Collection</b>	
<p>Components of Output 1.1:</p> <p>Output 1.1 contributes to Outcome 1 by developing, organising, preserving and storing a comprehensive collection of Australian Library material and a selection of non-Australian publications supporting the study of Australia and its place in the world.</p>	
Key Performance Indicators	2008-09 Target
Australian publications have been collected comprehensively as defined in the NLA's collection development policy	90% of identified legal deposit items within the NLA's collection development policy have been collected
Collection items are appropriately described to ensure the collection is managed and accessible	95% of new collection items have been checked in, catalogued or indexed within set standards and timeframes
The NLA's collection is stored appropriately	95% of time storage standards are met for high priority collections
The NLA's collection is stored and maintained	6,067,000 of collection items stored and maintained
Items identified for inclusion in the NLA's collection are acquired or captured in accordance with the NLA's annual collection plan	95% of items identified and captured
Descriptions of the NLA's collections are added to national online databases	96,000 items catalogued or indexed

<b>Output 1.2: Information Services</b>	
<p>Components of Output 1.2:</p> <p>Output 1.2 contributes to Outcome 1 by providing access to the NLA's collections and other documentary resources are delivered nationally and internationally.</p>	
Key Performance Indicators	2008-09 Target
Users and visitors receive appropriate and timely services from the NLA	100% of NLA service charter standards met
Users and visitors are satisfied	85% of those surveyed are satisfied
Physical collection items delivered to users in the NLA reading rooms or remotely	256,000 physical collection items delivered
Digital collection items are delivered online to users in the NLA reading rooms or remotely	7% increase in the number of page views on the NLA's websites
Number of users and visitors to the NLA	480,000 visitors

<b>Output Group 1.3: Collaborative Services</b>	
<p>Components of Output 1.3:</p> <p>Output 1.3 contributes to Outcome 1 by engaging in collaborative projects and services leading to improved national access to documentary resources being delivered to the Australian library community.</p>	
Key Performance Indicators	2008-09 Target
Key collaborative services managed by the NLA are taken up by other collecting institutions	2,080 agencies subscribing and contributing to Libraries Australia are retained; and annual targets for the number of contributors to other federated e-services met or exceeded
Collaborative services are delivered within standards and timeframes	98% of collaborative services standards and timeframes met
Content contributed to Libraries Australia and other federated e-services administered by the NLA	2,396,000 records / items contributed



## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant to the National Library of Australia (NLA).

#### **3.1.2 Movement of administered funds between years**

The NLA has no administered funds.

#### **3.1.3 Special Accounts**

The NLA has no special accounts.

#### **3.1.4 Australian Government Indigenous Expenditure**

The NLA has no 2008–09 Australian Government Indigenous Expenditure to report.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

### 3.2.2 Analysis of budgeted financial statements

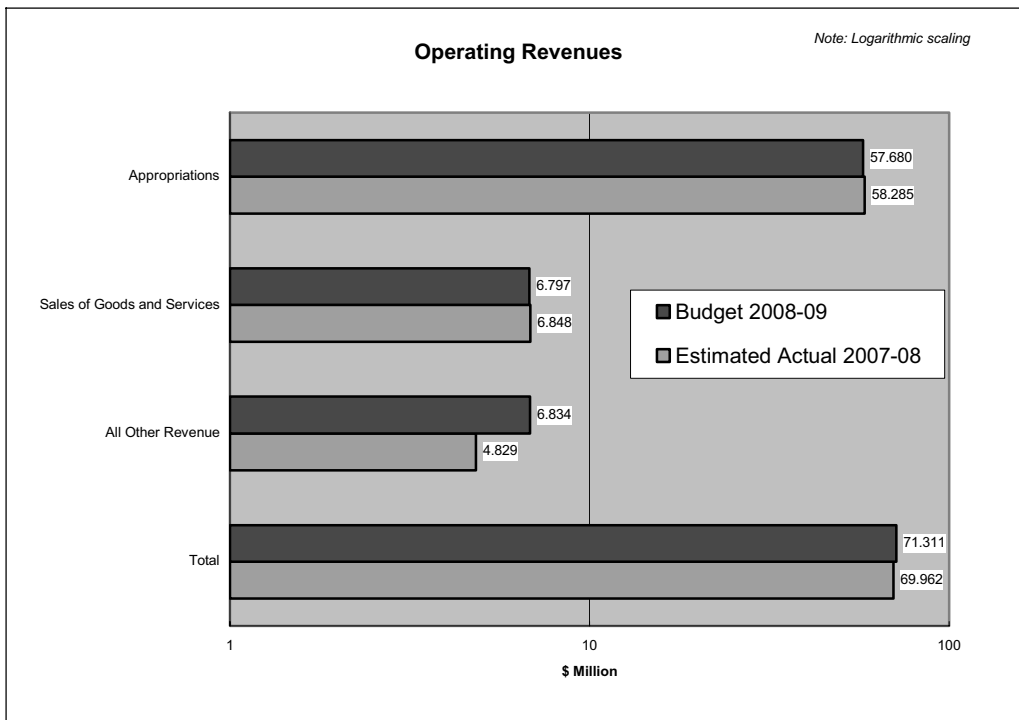
#### Departmental

##### Budgeted Income Statement

Budgeted income for 2008–09, including Government appropriations totals \$71.3 million and budgeted operating expenses, including borrowing expenses total \$71.0 million resulting in an operating surplus of \$0.3 million. This compares to an estimated budgeted operating surplus of \$1.4 million for 2007–08.

##### Income

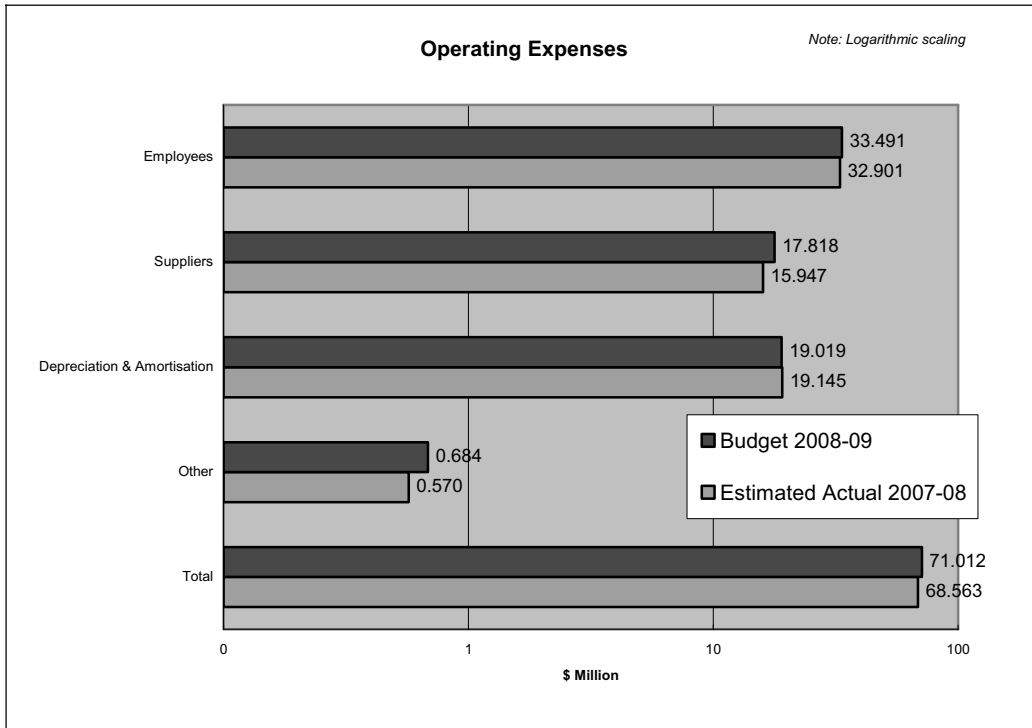
Total budgeted income for 2008–09 of \$71.3 million is \$1.3 million or 1.9 per cent higher than the estimated actual income for 2007–08. A comparison of 2008–09 budgeted revenue items against 2007–08 estimated actual is set out in the following graph. Please note the use of logarithmic scaling in this graph.



There is a reduction in appropriation revenue from 2007–08 of \$0.6 million or 1.0 per cent as a result of the net variance of the increased efficiency dividend and parameter adjustments. Other budgeted revenue increased (\$2.0 million or 41.5 per cent) largely due to increased interest revenue.

**Expenses**

Total budgeted operating expenses for 2008–09 are \$71.0 million, which is \$2.4 million or 3.6 per cent higher than the 2007–08 estimated actual. A comparison of 2008–09 expense budget items against 2007–08 estimated actual is set out in the following graph. Please note the use of logarithmic scaling in this graph.



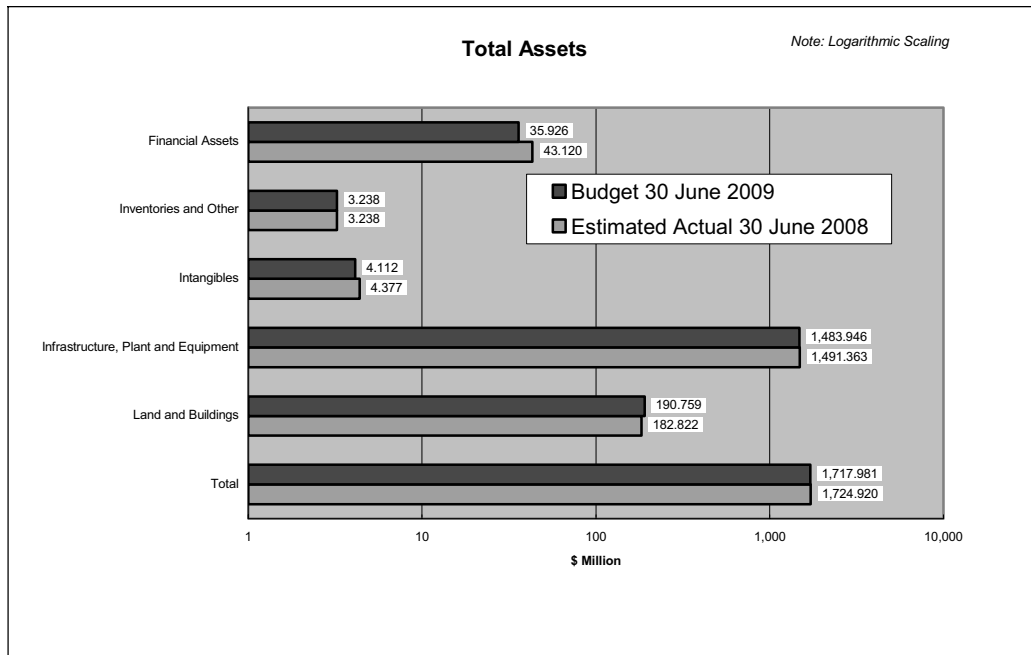
The major variations within operating expenses include an increase in employee expenses of \$0.6 million or 1.8 per cent and an increase in supplier expenses of \$1.9 million or 11.7 per cent. Contributing to the majority of the variation for supplier expenses is the increased value of the NLA’s Legal Deposit serial collection material (\$0.5 million), increased NLA digitisation activities (\$0.2 million) and expenses associated with the development of permanent displays for the NLA’s iconic collection (\$0.2 million).

**Equity**

The NLA’s total equity is planned to decrease by \$7.2 million to \$1,702.3 million or 0.4 per cent in 2008–09. The decrease is the net result of the budgeted surplus (\$0.3 million), an equity injection (\$1.0 million) for the purchase of Library collections and the transfer of the NLA’s film collection (\$8.6 million) to the National Film and Sound Archive.

**Total Assets**

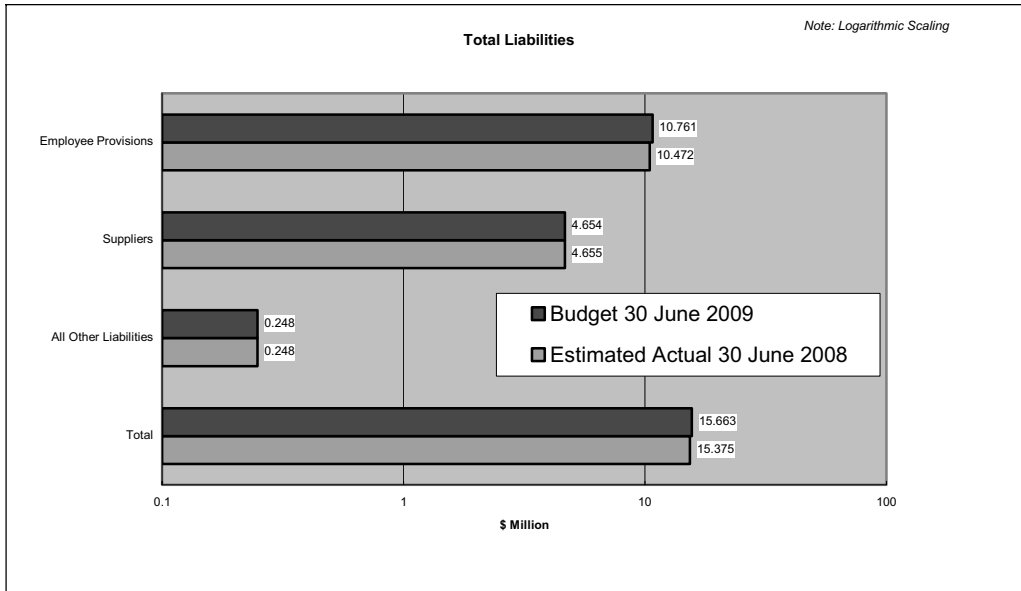
The value of the NLA’s total assets will decrease by \$6.9 million to \$1,718.0 million or 0.4 per cent in 2008–09 as displayed in the following graph. Please note the use of logarithmic scaling in this graph.



The net decrease in total assets largely reflects the transfer of the NLA’s film collection (\$8.6 million) to the National Film and Sound Archive.

**Total Liabilities**

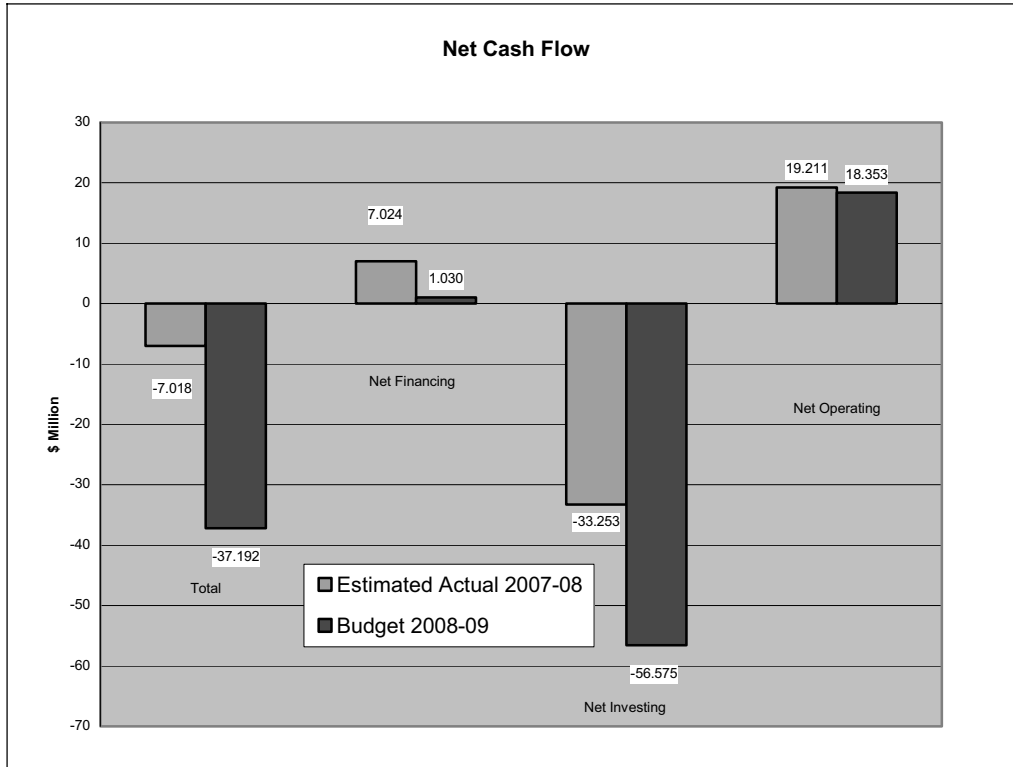
The value of the NLA’s total liabilities are planned to increase by \$0.3 million or 1.9 per cent, when compared with the 2007–08 estimated actual, to \$15.7 million as set out in the following graph. Please note the use of logarithmic scaling in this graph.



The increase in total budgeted liabilities largely relates to an increase in employee provisions (\$0.3 million or 2.8 per cent) to \$10.8 million.

### Cash Flow Statement

A comparison of budgeted cash flow items against the 2007-08 estimated actual is set out in the following graph.



There is a minor decrease in budgeted net cash from operating activities (\$0.9 million or 4.5 per cent), which contrasts with the increase of net cash used for investing (\$23.3 million or 70.1 per cent). Under Australian Accounting Standards cash held on deposit with a term greater than 90 days is to be classified as an investment rather than cash on deposit at a bank. As a consequence \$30.0 million has been reclassified as an investment and this is reflected in net investing cash. The balance of the variation represents a decrease in the purchase of property, plant and equipment (\$6.7 million), of which the majority relates to podium refurbishment project. The decrease in budgeted net cash received from financing activities (\$6.0 million or 85.3 per cent) largely reflects the completion of funding for the podium refurbishment project.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	58,285	57,680	57,879	57,985	58,164
Goods and services	6,848	6,797	6,797	6,797	6,797
Interest	1,960	3,520	3,520	3,520	3,520
Royalties	227	167	167	167	167
Other	2,642	3,147	3,147	3,147	3,147
<b>Total revenue</b>	<b>69,962</b>	<b>71,311</b>	<b>71,510</b>	<b>71,616</b>	<b>71,795</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>69,962</b>	<b>71,311</b>	<b>71,510</b>	<b>71,616</b>	<b>71,795</b>
<b>EXPENSE</b>					
Employees	32,901	33,491	33,491	33,491	33,491
Suppliers	15,947	17,818	17,818	17,818	17,818
Grants	469	508	508	508	508
Depreciation and amortisation	19,145	19,019	19,056	19,056	19,056
Finance costs	5	-	-	-	-
Write-down of assets and impairment of assets	50	130	130	130	130
Losses from sale of assets	10	10	10	10	10
Other	36	36	36	36	36
<b>Total expenses</b>	<b>68,563</b>	<b>71,012</b>	<b>71,049</b>	<b>71,049</b>	<b>71,049</b>
<b>Surplus (Deficit) before income tax</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>
<b>Surplus (Deficit) before income tax</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>1,399</b>	<b>299</b>	<b>461</b>	<b>567</b>	<b>746</b>

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	39,304	2,112	5,571	8,926	11,551
Trade and other Receivables	1,231	1,229	999	999	999
Investments	1,820	31,820	31,820	31,820	31,820
Other	765	765	765	765	765
<b>Total financial assets</b>	<b>43,120</b>	<b>35,926</b>	<b>39,155</b>	<b>42,510</b>	<b>45,135</b>
<b>Non-financial assets</b>					
Land and buildings	182,822	190,759	189,670	188,390	187,864
Infrastructure, plant and equipment	1,491,363	1,483,946	1,483,770	1,483,594	1,483,418
Inventories	1,358	1,358	1,358	1,358	1,408
Intangibles	4,377	4,112	3,915	3,718	3,521
Other	1,880	1,880	1,880	1,880	1,880
<b>Total non-financial assets</b>	<b>1,681,800</b>	<b>1,682,055</b>	<b>1,680,593</b>	<b>1,678,940</b>	<b>1,678,091</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>1,724,920</b>	<b>1,717,981</b>	<b>1,719,748</b>	<b>1,721,450</b>	<b>1,723,226</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	10,472	10,761	11,037	11,142	11,142
<b>Total provisions</b>	<b>10,472</b>	<b>10,761</b>	<b>11,037</b>	<b>11,142</b>	<b>11,142</b>
<b>Payables</b>					
Suppliers	4,655	4,654	4,654	4,654	4,654
Grants	38	38	38	38	38
Other	210	210	210	210	210
<b>Total payables</b>	<b>4,903</b>	<b>4,902</b>	<b>4,902</b>	<b>4,902</b>	<b>4,902</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>15,375</b>	<b>15,663</b>	<b>15,939</b>	<b>16,044</b>	<b>16,044</b>
<b>Net assets</b>	<b>1,709,545</b>	<b>1,702,318</b>	<b>1,703,809</b>	<b>1,705,406</b>	<b>1,707,182</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	28,636	21,110	22,140	23,170	24,200
Reserves	252,900	252,900	252,900	252,900	252,900
Retained surpluses or accumulated deficits	1,428,009	1,428,308	1,428,769	1,429,336	1,430,082
<b>Total parent entity interest</b>	<b>1,709,545</b>	<b>1,702,318</b>	<b>1,703,809</b>	<b>1,705,406</b>	<b>1,707,182</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>1,709,545</b>	<b>1,702,318</b>	<b>1,703,809</b>	<b>1,705,406</b>	<b>1,707,182</b>
<b>Current assets</b>	<b>46,358</b>	<b>39,164</b>	<b>42,393</b>	<b>45,748</b>	<b>48,423</b>
<b>Non-current assets</b>	<b>1,678,562</b>	<b>1,678,817</b>	<b>1,677,355</b>	<b>1,675,702</b>	<b>1,674,803</b>
<b>Current liabilities</b>	<b>13,402</b>	<b>13,657</b>	<b>13,901</b>	<b>14,006</b>	<b>14,006</b>
<b>Non-current liabilities</b>	<b>1,973</b>	<b>2,006</b>	<b>2,038</b>	<b>2,038</b>	<b>2,038</b>

Prepared on Australian Accounting Standards basis.

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

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	6,848	6,797	6,797	6,797	6,797
Appropriations	58,285	57,680	57,879	57,985	58,164
Interest	1,960	3,520	3,520	3,520	3,520
Other	5,666	5,091	4,296	4,046	4,127
<b>Total cash received</b>	<b>72,759</b>	<b>73,088</b>	<b>72,492</b>	<b>72,348</b>	<b>72,608</b>
<b>Cash used</b>					
Employees	33,010	33,202	33,215	33,386	33,491
Suppliers	15,142	16,619	16,618	16,618	16,668
Grants	469	508	508	508	508
Borrowing costs	5	-	-	-	-
Other	4,922	4,406	3,383	3,363	3,444
<b>Total cash used</b>	<b>53,548</b>	<b>54,735</b>	<b>53,724</b>	<b>53,875</b>	<b>54,111</b>
<b>Net cash from or (used by) operating activities</b>	<b>19,211</b>	<b>18,353</b>	<b>18,768</b>	<b>18,473</b>	<b>18,497</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	33,253	26,575	16,339	16,148	16,902
Investments	-	30,000	-	-	-
<b>Total cash used</b>	<b>33,253</b>	<b>56,575</b>	<b>16,339</b>	<b>16,148</b>	<b>16,902</b>
<b>Net cash from or (used by) investing activities</b>	<b>(33,253)</b>	<b>(56,575)</b>	<b>(16,339)</b>	<b>(16,148)</b>	<b>(16,902)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	7,095	1,030	1,030	1,030	1,030
<b>Total cash received</b>	<b>7,095</b>	<b>1,030</b>	<b>1,030</b>	<b>1,030</b>	<b>1,030</b>
<b>Cash used</b>					
Repayments of debt	71	-	-	-	-
<b>Total cash used</b>	<b>71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>7,024</b>	<b>1,030</b>	<b>1,030</b>	<b>1,030</b>	<b>1,030</b>
<b>Net increase or (decrease) in cash held</b>	<b>(7,018)</b>	<b>(37,192)</b>	<b>3,459</b>	<b>3,355</b>	<b>2,625</b>
Cash at the beginning of the reporting period	46,322	39,304	2,112	5,571	8,926
<b>Cash at the end of the reporting period</b>	<b>39,304</b>	<b>2,112</b>	<b>5,571</b>	<b>8,926</b>	<b>11,551</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008-09)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	1,428,009	252,900	-	28,636	1,709,545
<b>Adjusted opening balance</b>	<b>1,428,009</b>	<b>252,900</b>	<b>-</b>	<b>28,636</b>	<b>1,709,545</b>
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (deficit) for the period	299	-	-	-	299
<b>Total income and expenses recognised directly in equity</b>	<b>299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>299</b>
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns of capital					
Restructuring	-	-	-	(8,556)	(8,556)
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,030	1,030
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,526)</b>	<b>(7,526)</b>
<b>Estimated closing balance as at 30 June 2009</b>					
	<b>1,428,308</b>	<b>252,900</b>	<b>-</b>	<b>21,110</b>	<b>1,702,318</b>

Prepared on Australian Accounting Standards basis.

# **National Museum of Australia**

## **Agency resources and planned performance**



# NATIONAL MUSEUM OF AUSTRALIA

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# NATIONAL MUSEUM OF AUSTRALIA

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The National Museum of Australia's (NMA) strategic direction is to be recognised as a world class museum exploring Australia's past, illuminating the present and imaging the future.

It fulfills this role through promoting an understanding of Australia's history and an awareness of future possibilities by:

- developing, preserving and exhibiting a significant collection;
- taking a leadership role in research and scholarship;
- engaging and providing access for audiences nationally and internationally; and
- delivering innovative programs.

In performing this work the NMA engages actively with Australian communities and its visitors in developing, delivering and reaching out beyond Canberra with exhibitions, programs, publications and other activities.

The NMA also provides innovative and distinctive learning programs for visiting school groups and develops curriculum-based resources and programs directly to schools nationally.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: National Museum of Australia resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	<b>41,863</b>	-	<b>41,863</b>	-
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1 - Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture	-	40,275	40,275	40,764
<b>Total ordinary annual services</b>	-	<b>40,275</b>	<b>40,275</b>	<b>40,764</b>
<b>Other services</b>				
<i>Non-Operating</i>	-	<b>1,089</b>	1,089	5,159
<b>Total other services</b>	-	<b>1,089</b>	<b>1,089</b>	<b>5,159</b>
<b>Total Annual Appropriations</b>	-	<b>41,364</b>	<b>41,364</b>	<b>45,923</b>
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	3,000	3,000	3,000
<i>Sale of goods and services</i>	-	2,196	2,196	2,196
<b>Total</b>	-	<b>5,196</b>	<b>5,196</b>	<b>5,196</b>
<b>Total net resourcing for Agency</b>	-	<b>46,560</b>	<b>88,423</b>	<b>51,119</b>

All figures are GST exclusive

The NMA is not directly appropriated as it is a CAC Act body. Appropriations are made to DEWHA which are then paid to the NMA and are considered 'departmental' for all purposes.

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

## 1.3 BUDGET MEASURES

The NMA does not have any 2008-09 Budget measures.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the outputs which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by outputs, specifying the performance indicators and targets used to assess and monitor the performance of the National Museum of Australia (NMA) in achieving government outcomes.

#### **2.1.1 Outcome 1: Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture**

##### **Outcome 1 Strategy**

The NMA's collection includes approximately 200,000 objects covering the experience of Australia's history and cultural heritage. The collection focuses on Indigenous cultures, Australian society and history since 1788, and Australian environmental history. The NMA acquires objects through purchase, donations and transfer arrangements. The NMA also undertakes research into the collection and is responsible for documenting and preserving the collection for present and future generations.

The facility on Acton Peninsula, Canberra, provides a central showcase to allow visitors to explore Australia's social, cultural and environmental histories. The objective is to articulate and illuminate Australia's history and cultures in lucid and stimulating ways that engage visitors. This is achieved through exhibitions which employ innovative multimedia and design, and engage visitors in educative and stimulating experiences.

Incorporated within the facility is the capability to employ a changing and evolving variety of media and programming both originating in the NMA and received from external sources. A theatre and an accompanying broadcast studio serve to project the NMA to a wider national and international audience as well as complementing the themes and events depicted in the exhibitions.

The NMA has a travelling exhibition program and develops major outreach through on-line services to ensure the Australian story is accessible throughout regional and remote Australia.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture</b>	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 1.1: Collection Development and Management</b>		
Revenue from government	10,069	9,003
<b>Subtotal for Output 1.1</b>	<b>10,069</b>	<b>9,003</b>
<b>Output 1.2: National Exhibitions, Programs and Services</b>		
Revenue from government	30,206	31,761
Funds from other sources	5,196	5,196
<b>Subtotal for Output 1.2</b>	<b>35,402</b>	<b>36,957</b>
<b>Total resources for Outcome 1</b>	<b>45,471</b>	<b>45,960</b>
<hr/>		
<b>Average staffing level (number)</b>	2008-09 250	2007-08 250

**Contributions to Outcome 1**

<b>Output 1.1: Collection Development and Management</b>	
<p>Components of Output 1.1:</p> <p>This includes all activities that ensure the NMA has a relevant and high quality collection of objects and books together with their story. In addition, collection management includes all activities associated with maintaining the collection in appropriate condition, and ensuring it is available to be used in exhibitions and other programs to meet the NMA's objectives.</p>	
Key Performance Indicators	2008-09 Target
Proportion of acquisitions acquired in accordance with Collection Development Framework	100%
Storage of the National Historical Collection in accordance with appropriate museum standards	75% or above
Conservation treatment to maintain appropriate condition of items	1,000 conservation treatments
Documentation of National Historical Collection	7,500 National Historical Collection items accessible via the Museum's website

<b>Output 1.2: National Exhibitions, Programs and Services</b>	
<p>Components of Output 1.2:</p> <p>This relates to activities whereby visitors access objects in the collection or information about objects, and Australian history and cultures, through visiting exhibitions and attending programs throughout Australia and overseas.</p>	
Key Performance Indicators	2008-09 Target
Access to the Museum's collections, exhibitions, programs and web	1,150,000 visitors, users of programs and unique web visits
Proportion of visitors satisfied with the exhibitions, programs and services	85%.
Proportions of schools visits that meet core curriculum requirements	80%
Proportion of visitors and users who indicate the Museum's exhibitions and public programs contributed to a new or different awareness or perspective on Australia's history or cultures	75%



## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The reconciliation of total available appropriation and outcomes is not relevant to the National Museum of Australia (NMA).

#### 3.1.2 Movement of administered funds between years

The NMA has no administered funds.

#### 3.1.3 Special Accounts

The NMA has no special accounts.

#### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
<b>Outcome 1 - Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture</b>							
Departmental 2008-09	2,385	-	-	2,385	-	2,385	1.1/1.2
<i>Departmental 2007-08</i>	2,352	-	-	2,352	-	2,352	
Total Outcome 2008-09	2,385	-	-	2,385	-	2,385	
<i>Total Outcome 2007-08</i>	2,352	-	-	2,352	-	2,352	
<b>Total AGIE 2008-09</b>	<b>2,385</b>	-	-	<b>2,385</b>	-	<b>2,385</b>	
<i>Total AGIE 2007-08</i>	2,352	-	-	2,352	-	2,352	

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

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

The budgeted financial statements are prepared on an accrual basis and are in accordance with the Australian Equivalent to International Financial Reporting Standards (AEIFRS).

The Departmental Income Statement shows a decrease in total revenue of \$1.6 million for 2008–09. In 2007–08 the NMA received a \$0.7 million one off non cash transfer of funds to store and preserve collections assets received from another Government Agency and \$0.3 million in revenue for a major overseas exhibition held during 2007–08. These will not recur in 2008–09. The balance of the decrease is the reduction in Revenues from Government from the full year effect of the one-off efficiency dividend applied to appropriations.

The reduction in supplier expenses represents a reduction in program costs as a result of the decrease in revenues.

In the Departmental Balance Sheet both the reduction in investments and the increase in Infrastructure, plant and equipment represents the use of cash to fund gallery redevelopment. The building revaluation results in an increase to both the value of Land and Buildings and the value of Reserves. The increase in Employee Provisions includes the estimated impact of future pay increases on employee leave entitlements.

In 2008–09 the Government is providing an equity injection of \$1.1 million to fund the National Historical Collection acquisitions.

### 3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	40,764	40,275	40,552	40,767	41,078
Goods and services	2,196	2,196	2,196	2,196	2,196
Interest	3,000	3,000	3,000	3,000	3,000
Other	1,237	170	170	200	200
<b>Total revenue</b>	<b>47,197</b>	<b>45,641</b>	<b>45,918</b>	<b>46,163</b>	<b>46,474</b>
<b>Gains</b>					
<b>Total gains</b>	-	-	-	-	-
<b>Total income</b>	<b>47,197</b>	<b>45,641</b>	<b>45,918</b>	<b>46,163</b>	<b>46,474</b>
<b>EXPENSE</b>					
Employees	20,523	20,769	21,668	22,617	23,150
Suppliers	18,704	16,902	16,280	15,576	15,354
Grants	250	250	250	250	250
Depreciation and amortisation	7,720	7,720	7,720	7,720	7,720
<b>Total expenses</b>	<b>47,197</b>	<b>45,641</b>	<b>45,918</b>	<b>46,163</b>	<b>46,474</b>
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	2,131	2,133	2,147	2,165	2,197
Trade and other Receivables	2,880	2,880	2,883	2,886	2,889
Investments	43,530	39,730	42,080	42,580	43,880
<b>Total financial assets</b>	<b>48,541</b>	<b>44,743</b>	<b>47,110</b>	<b>47,631</b>	<b>48,966</b>
<b>Non-financial assets</b>					
Land and buildings	95,554	103,332	113,405	126,183	136,461
Infrastructure, plant and equipment	39,872	44,772	41,772	38,772	37,272
Heritage and cultural assets	193,865	194,915	196,078	197,265	198,477
Inventories	341	341	341	341	341
Intangibles	1,706	1,316	926	536	146
Other	1,714	1,714	1,714	1,714	1,714
<b>Total non-financial assets</b>	<b>333,052</b>	<b>346,390</b>	<b>354,236</b>	<b>364,811</b>	<b>374,411</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>381,593</b>	<b>391,133</b>	<b>401,346</b>	<b>412,442</b>	<b>423,377</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employees	5,009	5,352	5,796	6,394	6,806
<b>Total provisions</b>	<b>5,009</b>	<b>5,352</b>	<b>5,796</b>	<b>6,394</b>	<b>6,806</b>
<b>Payables</b>					
Suppliers	1,723	1,723	1,723	1,723	1,723
Other	1	1	4	7	10
<b>Total payables</b>	<b>1,724</b>	<b>1,724</b>	<b>1,727</b>	<b>1,730</b>	<b>1,733</b>
<b>Total liabilities</b>	<b>6,733</b>	<b>7,076</b>	<b>7,523</b>	<b>8,124</b>	<b>8,539</b>
<b>Net assets</b>	<b>374,860</b>	<b>384,057</b>	<b>393,823</b>	<b>404,318</b>	<b>414,838</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	12,744	13,833	14,946	16,083	17,245
Reserves	94,895	103,003	111,656	121,014	130,372
Retained surpluses or accumulated deficits	267,221	267,221	267,221	267,221	267,221
<b>Total parent entity interest</b>	<b>374,860</b>	<b>384,057</b>	<b>393,823</b>	<b>404,318</b>	<b>414,838</b>
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>374,860</b>	<b>384,057</b>	<b>393,823</b>	<b>404,318</b>	<b>414,838</b>
<b>Current assets</b>	<b>45,791</b>	<b>46,936</b>	<b>48,162</b>	<b>49,493</b>	<b>50,805</b>
<b>Non-current assets</b>	<b>335,802</b>	<b>344,197</b>	<b>353,184</b>	<b>362,949</b>	<b>372,572</b>
<b>Current liabilities</b>	<b>4,242</b>	<b>4,458</b>	<b>4,739</b>	<b>5,118</b>	<b>5,380</b>
<b>Non-current liabilities</b>	<b>2,491</b>	<b>2,618</b>	<b>2,784</b>	<b>3,006</b>	<b>3,159</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,196	2,196	2,196	2,196	2,196
Appropriations	40,764	40,275	40,552	40,767	41,078
Interest	3,000	3,000	3,000	3,000	3,000
Dividends	-	-	-	-	-
Other	2,618	2,788	2,111	2,238	2,170
<b>Total cash received</b>	<b>48,578</b>	<b>48,259</b>	<b>47,859</b>	<b>48,201</b>	<b>48,444</b>
<b>Cash used</b>					
Employees	20,248	20,424	21,222	22,019	22,900
Suppliers	18,234	16,734	16,112	15,376	15,154
Grants	250	250	250	250	250
Other	2,618	2,788	2,111	2,238	2,170
<b>Total cash used</b>	<b>41,350</b>	<b>40,196</b>	<b>39,695</b>	<b>39,883</b>	<b>40,474</b>
<b>Net cash from or (used by) operating activities</b>	<b>7,228</b>	<b>8,063</b>	<b>8,164</b>	<b>8,318</b>	<b>7,970</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	10,050	12,950	6,913	8,937	7,800
Investments	2,400	(3,800)	2,350	500	1,300
<b>Total cash used</b>	<b>12,450</b>	<b>9,150</b>	<b>9,263</b>	<b>9,437</b>	<b>9,100</b>
<b>Net cash from or (used by) investing activities</b>	<b>(12,450)</b>	<b>(9,150)</b>	<b>(9,263)</b>	<b>(9,437)</b>	<b>(9,100)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	5,159	1,089	1,113	1,137	1,162
<b>Total cash received</b>	<b>5,159</b>	<b>1,089</b>	<b>1,113</b>	<b>1,137</b>	<b>1,162</b>
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>5,159</b>	<b>1,089</b>	<b>1,113</b>	<b>1,137</b>	<b>1,162</b>
<b>Net increase or (decrease) in cash held</b>	<b>(63)</b>	<b>2</b>	<b>14</b>	<b>18</b>	<b>32</b>
Cash at the beginning of the reporting period	2,194	2,131	2,133	2,147	2,165
<b>Cash at the end of the reporting period</b>	<b>2,131</b>	<b>2,133</b>	<b>2,147</b>	<b>2,165</b>	<b>2,197</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	267,221	94,895	-	12,744	374,860
<b>Adjusted opening balance</b>	267,221	94,895	-	12,744	374,860
<b>Income and expense</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	8,108	-	-	8,108
<b>Sub-total income and expense</b>	-	8,108	-	-	8,108
Surplus (deficit) for the period	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	8,108	-	-	8,108
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	1,089	1,089
<b>Sub-total transactions with owners</b>	-	-	-	1,089	1,089
<b>Estimated closing balance as at 30 June 2009</b>	267,221	103,003	-	13,833	384,057

# **Screen Australia**

## **Agency resources and planned performance**



# SCREEN AUSTRALIA

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# SCREEN AUSTRALIA

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

Screen Australia is a statutory authority established in 2008. It aims to develop, produce, promote, distribute and provide access to diverse Australian programs, and support the development of the Australian screen production industry, so that Australian screen content is accessible nationally and internationally. It does this through:

- financing and co-financing film and television production;
- administration of the Producer Offset and Co-Production Program;
- financing film, television and interactive media project development;
- financing the professional development of practitioners through the production of feature films, documentaries, animation, short drama and digital interactive media;
- resourcing the development of indigenous film, television and digital interactive program makers;
- resourcing activities and events which play a development role in the film, television and interactive media sector;
- resourcing screen content creators and interactive media producers to engage with the global marketplace;
- commissioning, production and promotion of a slate of documentary productions for the National Interest Program and Australian History Initiative; and
- providing services and facilities for the independent production sector.

## 1.2 AGENCY RESOURCE STATEMENT

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

**Table 1.1: Screen Australia resource statement — Budget estimates for 2008-09 as at Budget May 2008**

Source	Estimate of prior + year amounts available in 2008-09 \$'000	Proposed at Budget = 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Available Appropriation 2007-08 \$'000
<b>Opening Balance/Reserves at Bank</b>	-	-	-	-
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary Annual Services</b>				
Outcome 1	-	31,389	31,389	-
<b>Total ordinary annual services</b>	-	31,389	31,389	-
<b>Other services</b>				
<i>Non-Operating</i>	-	-	-	-
<b>Total other services</b>	-	-	-	-
<b>Total Annual Appropriations</b>	-	31,389	31,389	-
<b>Payments from related entities<sup>3</sup></b>				
<i>Amounts from the portfolio department</i>	-	60,500	60,500	-
<b>Total</b>	-	60,500	60,500	-
<b>Total Funds from Government</b>	-	91,889	91,889	-
<b>FUNDS FROM OTHER SOURCES</b>				
<i>Interest</i>	-	1,152	1,152	-
<i>Royalties</i>	-	-	-	-
<i>Sale of goods and services</i>	-	4,848	4,848	-
<i>Other</i>	-	12,302	12,302	-
<b>Total</b>	-	18,302	18,302	-
<b>Total net resourcing for Agency</b>	-	110,191	110,191	-

All figures are GST exclusive

<sup>1</sup> Appropriation Bill (No.1) 2008-09

<sup>2</sup> Appropriation Bill (No.2) 2008-09

<sup>3</sup> Funding provided by another Government body.

<sup>4</sup> Screen Australia also receives an additional \$18.302 million in other receipts

## 1.3 BUDGET MEASURES

There are no new Budget measures for Screen Australia in 2008-09.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of Screen Australia in achieving Government outcomes.

#### 2.1.1 Outcome 1: Enriched Australian screen content.

##### Outcome 1 Strategy

The Commonwealth Film Program supports the development of a creative and highly skilled Australian film and television industry in a competitive commercial context. The program assists the development and production of Australian film and television programs and promotes their presence and appreciation in local and international markets. It creates opportunities for:

- Australians to make and view a rich variety of high quality film, television and other audiovisual productions;
- current and future generations to access a record of life stories and issues relevant to Australians;
- Australian students and screen content creators to develop a high level of creative, technical and business professionalism to meet industry needs; and
- appreciation and extended audience reach for Australian film and television productions both in Australia and internationally.

These objectives provide the policy context for all three Australian Government film organisations: Screen Australia, the Australian Film, Television and Radio School, and the National Film and Sound Archive.

Screen Australia funds film and television production with high levels of creative and technical contribution by Australians, or projects certified under Australia's official Co-Production Program. By co-financing with theatrical distributors, broadcasters, international sales agents and other such companies, Screen Australia is tapping into

### *Screen Australia Budget Statements*

valuable distribution and exhibition networks that can maximise the audience reach of its programs.

Screen Australia fosters the development of the screen industries by identifying and developing outstanding Australian film, television and interactive media projects. It contributes to the development of distinctive projects by providing finance to producers and, in some cases, directors on the basis of track record to work on individual projects or slates of projects of their choice with teams; providing development assistance to some projects on the basis that they are close to financing the production; identifying and actively engaging in Australian projects that display originality, diversity and creative ambition, or a strong likelihood of eventual production financing.

Screen Australia devises, produces, distributes and markets productions that deal with matters of national interest or illustrate and interpret aspects of Australian life, under the National Interest Program and the Australian History initiative.

Screen Australia contributes to the professional development of screen content creators by providing production opportunities and actively engaging at all stages with key creatives in production to realise their creative ambition. It assists screen content creators and interactive media producers to work with more experienced professionals by means of a mentoring program, and provides resources to organisations, which provide skill development opportunities for screen content creators and new entrants.

Participation in the marketplace is a fundamental element of bringing projects to their full potential. Screen Australia gives assistance to screen content creators to enable them to engage effectively in the local and international marketplace. It enables screen content creators to attend key international festivals, events and markets to represent their work or to find financing for their projects. Screen Australia also represents the Australian film industry internationally, providing support for Australian screen content creators at festivals and markets, a point of call for queries about Australia and a host for special events to maximise its presence.

Screen Australia provides assistance in the national marketplace for screen content creators to network and make contact with distributors and international sales agents. Screen Australia also ensures leading festival directors and selectors are aware of new Australian films and emerging talent. Other assistance includes national seminars on marketing and networking for screen content creators, and the provision of an extensive online information resource.

Screen Australia cultivates awareness and appreciation of screen culture in a number of ways. It provides opportunities for screen content creators and the public to engage with diverse screen activities. It fosters activities and events nationally that contribute to the development and appreciation of screen culture. It also promotes Australia and its culture internationally by supporting and delivering events in targeted international cultural arenas.

Screen Australia is also responsible for the administration of the new Producer Offset benefit and is able to co-invest with productions using this Offset.

Screen Australia through its Lindfield Studios provides screening venues, a sound stage, sound post-production facilities, a film laboratory, production offices, editing and transfer suites for independent film and television productions. This site is also the basis for the Hothouse industry development scheme.

Screen Australia monitors the performance of the film, television and digital interactive media sector and provides information, analysis and research. As a major collector and analyser of data about the industry, Screen Australia disseminates and publishes information about the Australian audiovisual industry.

### Outcome 1 Resource Statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1. The total appropriation for Screen Australia in the 2008–09 Budget is \$31.4 million.

**Table 2.1: Total resources for Outcome 1**

Outcome 1: Enriched Australian screen content	2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output 1.1 - Foster a sustainable industry through developing, investing in producing Australian screen content, promoting it to audiences, and strengthening the skills of screen content practitioners.</b>		
<b>Departmental Outputs</b>		
Appropriation Bill 1	B1 31,389	-
<b>Other Resources available to be used</b>		
	78,802	-
<b>Total Resources</b>	110,191	-
(Total revenue from Government and other sources)		
<hr/>		
<b>Average staffing level (number)</b>	2008-09 177	2007-08 -
(B1) - Annual Appropriation Bill 1 (Ordinary Annual Services)		

**Contributions to Outcome 1**

<b>Output 1.1: Foster a sustainable industry through developing, investing in and producing Australian screen content, promoting it to audiences, and strengthening the skills of screen content practitioners</b>	
<p>Components of Output 1.1:</p> <p>The key results will be for creative individuals and businesses, through financial and other assistance, to make high quality film, television and other screen programs; for these programs to have appeal to Australian audiences and international markets; and for the industry to become more sustainable.</p>	
Key Performance Indicators	2008-09 Target
Investment in film and television projects and professional development of filmmakers	<p>At least 75 per cent of feature films or short features made with Screen Australia (SA) production investment achieve Australian theatrical release or television broadcast commitment</p> <p>At least 75 per cent of short dramas, animations and interactive media titles supported by SA achieve festival or television exposure</p> <p>Support the participation of at least five Indigenous screen content creators in key festivals in 2008–09</p> <p>Provide intensive script and marketing assistance to support a minimum of 14 targeted projects/creative teams and a minimum of 4 Writers Fellowships in 2008–09</p>
Participation of Australian filmmakers and their programs in the global marketplace	<p>Maintain a presence at a minimum of four key international film and television markets and provide support to Australian film practitioners through networking opportunities, liaison, and facilities</p> <p>Facilitate and support a minimum of three key national industry events, and visits by a minimum of three international festival representatives</p>
Cultivation and appreciation of Australian screen culture, locally and internationally	<p>Support organisations to provide at least 20,000 professional development opportunities for practitioners in 2008–09 and foster at least one targeted initiative in each state that encourages diversity</p> <p>Coordinate 20 Australian film festivals internationally in 2008–09</p>
Data collection and analysis and wide dissemination of information	<p>On-time dissemination of key research and information widely throughout industry and government, in a variety of formats</p> <p>An average of at least 2000 visits to <a href="http://www.screenaustralia.gov.au">www.screenaustralia.gov.au</a> per day</p>

<b>Output 1.1: Foster a sustainable industry through developing, investing in and producing Australian screen content, promoting it to audiences, and strengthening the skills of screen content practitioners</b>	
Commissioning, production and promotion of a curated slate of documentary productions	Production under the National Interest Program (NIP) will deliver 20 high quality documentaries a year with 80 per cent receiving television broadcast and 30 per cent reaching at least 10 per cent audience share
Commissioning, production and promotion of a slate of landmark documentaries on Australian history.	Delivery of at least 10 productions under the Making History initiative across a three year period
Utilise the Lindfield site and related services for the independent documentary production sector	Site and facilities currently utilised by the sector to achieve at least 80 per cent occupancy
Achievement of audience targets and cultural recognition.	<p>Feature film audience targets:</p> <p>For niche releases (defined as exhibited on less than 20 screens) 20,000 admissions</p> <p>For specialist releases (defined as exhibited on 20 to 44 screens) 60,000 admissions</p> <p>For crossover releases (defined as exhibited on 45 to 100 screens) 200,000 admissions</p> <p>For mainstream multiplex releases (defined as exhibited on over 100 screens) 300,000 admissions</p> <p>Adult TV drama domestic audience targets, the slate to achieve an average of:</p> <p>Commercial networks, 900,000 viewers</p> <p>ABC, 600,000 viewers</p> <p>SBS, 350,000 viewers</p> <p>Children's TV drama audience target, the slate to achieve an average of:</p> <p>200,000 viewers</p> <p>Documentary domestic TV audience targets, the slate to achieve an average of:</p> <p>Commercial networks, 500,000 viewers</p> <p>ABC, 350,000 viewers</p> <p>SBS, 150,000 viewers</p> <p>Number of international awards for features, children's drama and documentary</p>



## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between the agency and outcome resource statements, movements in administered funds, special accounts and government indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The reconciliation of total available appropriation and outcomes is not relevant for Screen Australia.

#### **3.1.2 Movement of administered funds between years**

There are no movements of administered funds between years for Screen Australia.

#### **3.1.3 Special Accounts**

There are no special accounts for Screen Australia.

### 3.1.4 Australian Government Indigenous Expenditure

**Table 3.1.4: Australian Government Indigenous Expenditure**

Outcome	Appropriations				Other \$'000	Total \$'000	Output Group
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special Approp \$'000	Total Approp \$'000			
	<b>Screen Australia Outcome 1</b>						
Departmental 2008-09	2,262	-	-	2,262	-	2,262	1.1
<i>Departmental 2007-08</i>							
Total Outcome 2008-09	2,262	-	-	2,262	-	2,262	
<i>Total Outcome 2007-08</i>	-	-	-	0	-	0	
Total Departmental 2008-09	2,262	-	-	2,262	-	2,262	
<i>Total Departmental 2007-08</i>	-	-	-	-	-	-	
<b>Total AGIE 2008-09</b>							
<i>Total AGIE 2007-08</i>							

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Differences in agency resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and Portfolio Budget Statements as a result of differences between Australian Accounting Standards (AAS) and Government Finance Statistics (GFS).

### 3.2.2 Analysis of budgeted financial statements

#### Departmental

#### Budgeted Departmental Income Statement

##### Operating Result

Screen Australia is budgeting for a break-even operating result for 2008-09 and for the remainder of the forward estimates.

##### Operating Revenue

Screen Australia's appropriation for 2008-09 is \$31.4 million.

Screen Australia is also expecting to generate \$18.3 million in other revenue in 2008-09. This will predominantly be sourced from sales of goods and services, interest income, and recoveries of film investments and loans written-off in prior financial years as recoupment was considered unlikely at the time.

### Operating Expense

Total expenses, including borrowing costs, for 2008–09 are estimated to be \$110.8 million. These expenses will be used to fund activities that contribute towards achieving output 1.1. Full apportionment of the expenses relating to the new measures will be undertaken by the Board and CEO of the new agency once it is operational, from 1 July 2008.

Write-down of assets expenses includes adjustments to the provision for loss for film investments and loans as well as the write-off of loans and film investments not previously provided for.

### **Budgeted Departmental Balance Sheet**

#### Equity

Screen Australia's budgeted equity (or net asset position) of \$145.7 million for 2008–09 is expected to comprise total assets of \$171.2 million and total liabilities of \$25.4 million.

#### Financial Assets

The Other Investments category in the Budgeted Departmental Balance Sheet comprises assistance provided to the film industry in the form of investments for the development and production of film and interactive media projects. Other investments are disclosed net after any recoveries, provision for loss and write-offs.

#### Non-Financial Assets

Screen Australia's non-financial assets are estimated to be \$94.8 million in 2008–09 and include land and buildings and plant and equipment.

#### Liabilities – Leases

This item contains the estimated amount owing by Screen Australia in respect of finance leases for computer equipment.

#### Provisions

Provisions predominantly relate to employee leave entitlements and provision for onerous film contracts. Where a company is contractually committed to provide funds to film makers at year end, provision is made for the excess of the funds to be provided over the amounts expected to be recouped from the related portion of each film investment in the future.

Payables

Other payables predominantly relate to prepayments and the Screen Australia's Sydney accommodation lease, which provides for a lease incentive in the form of a fit-out. The proposed lease incentive has been accounted for in accordance with UIG Abstract 3, *Lease Incentives* and UIG Interpretation 115, *Operating Leases - Incentives*, which require the lease incentive to be treated as a liability. The liability then reduces over the lease term as it is repaid through a component of the periodic rental payments.

3.2.3 Budgeted financial statements tables

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	-	102,888	93,525	89,396	89,594
Goods and services	-	4,848	4,866	4,921	4,921
Interest	-	1,300	1,300	1,150	1,000
Other - Grants Received	-	1,155	1,155	1,155	1,155
<b>Total revenue</b>	-	110,191	100,846	96,622	96,670
<b>Gains</b>					
Other	-	600	600	600	600
<b>Total gains</b>	-	600	600	600	600
<b>Total income</b>	-	110,791	101,446	97,222	97,270
<b>EXPENSE</b>					
Employees	-	7,298	7,456	7,640	7,684
Suppliers	-	84,440	74,307	69,417	69,018
Grants	-	5,011	5,007	4,956	4,905
Depreciation and amortisation	-	4,152	4,291	4,246	4,009
Finance costs	-	30	30	30	30
Write-down of assets and impairment of assets	-	7,025	7,431	7,910	8,601
Other	-	2,835	2,924	3,023	3,023
<b>Total expenses</b>	-	110,791	101,446	97,222	97,270
<b>Surplus (Deficit) before income tax</b>	-	-	-	-	-
<b>Income tax expense</b>	-	-	-	-	-
<b>Surplus/(Deficit)</b>	-	-	-	-	-
<b>Surplus (deficit) attributable to the Australian Government</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis

Note: As Screen Australia is not formally constituted until 1 July, the Financial Statements are indicative estimates only

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	-	10,140	10,291	10,442	10,442
Trade and other Receivables	-	19,933	19,933	19,933	19,933
Investments	-	46,091	46,897	43,592	43,450
Other	-	239	239	239	239
<b>Total financial assets</b>	-	76,403	77,360	74,206	74,064
<b>Non-financial assets</b>					
Land and buildings	-	48,564	48,064	51,352	51,223
Infrastructure, plant and equipment	-	7,346	7,237	7,139	7,445
Heritage and cultural assets	-	35,817	36,145	36,473	36,801
Inventories	-	805	805	805	805
Intangibles	-	1,999	1,600	1,202	804
Other	-	236	236	236	236
<b>Total non-financial assets</b>	-	94,767	94,087	97,207	97,314
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	-	171,170	171,447	171,413	171,378
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Leases	-	400	400	400	400
Other	-	134	297	148	150
<b>Total interest bearing liabilities</b>	-	534	697	548	550
<b>Provisions</b>					
Employees	-	6,061	6,150	6,240	6,330
Other	-	7,696	7,727	7,758	7,789
<b>Total provisions</b>	-	13,757	13,877	13,998	14,119
<b>Payables</b>					
Suppliers	-	797	872	947	1,022
Other	-	10,344	10,173	10,002	9,831
<b>Total payables</b>	-	11,141	11,045	10,949	10,853
<b>Total liabilities</b>	-	25,432	25,619	25,495	25,522
<b>Net assets</b>	-	145,738	145,828	145,918	145,856
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Retained surpluses or accumulated deficits	-	145,738	145,828	145,918	145,856
<b>Total parent entity interest</b>	-	145,738	145,828	145,918	145,856
<b>Minority interest</b>					
<b>Total minority interest</b>	-	-	-	-	-
<b>Total equity</b>	-	145,738	145,828	145,918	145,856
<b>Current assets</b>	-	76,403	77,360	74,206	74,064
<b>Non-current assets</b>	-	94,767	94,087	97,207	97,314
<b>Current liabilities</b>	-	25,432	25,619	25,495	25,522
<b>Non-current liabilities</b>	-	-	-	-	-

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

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

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	-	4,485	4,866	4,921	4,921
Appropriations	-	106,017	94,680	90,551	90,749
Interest	-	1,152	1,300	1,150	1,000
<b>Total cash received</b>	-	111,654	100,846	96,622	96,670
<b>Cash used</b>					
Employees	-	7,237	7,367	7,550	7,594
Suppliers	-	77,491	74,232	69,342	68,943
Grants	-	5,011	5,007	4,956	4,905
Borrowing costs	-	30	30	30	30
Other	-	3,000	2,974	3,073	3,225
<b>Total cash used</b>	-	92,769	89,610	84,951	84,697
<b>Net cash from or (used by) operating activities</b>	-	18,885	11,236	11,671	11,973
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	535	-	-	-
<b>Total cash received</b>	-	535	-	-	-
<b>Cash used</b>					
Investments	-	9,814	11,248	11,371	11,975
Other	-	-	-	-	-
<b>Total cash used</b>	-	9,814	11,248	11,371	11,975
<b>Net cash from or (used by) investing activities</b>	-	(9,279)	(11,248)	(11,371)	(11,975)
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	534	163	(149)	2
<b>Total cash received</b>	-	534	163	(149)	2
<b>Cash used</b>					
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	534	163	(149)	2
<b>Net increase or (decrease) in cash held</b>	-	10,140	151	151	-
Cash at the beginning of the reporting period	-	-	10,140	10,291	10,442
<b>Cash at the end of the reporting period</b>	-	10,140	10,291	10,442	10,442

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2007-08)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
<b>Adjusted opening balance</b>	-	-	-	-	-
<b>Income and expense</b>					
<b>Sub-total income and expense</b>	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Other:					
Restructuring	145,738	-	-	-	145,738
<b>Sub-total transactions with owners</b>	145,738	-	-	-	145,738
<b>Estimated closing balance as at 30 June 2009</b>	-	-	-	-	-

### 3.2.4 Notes to the financial statements

#### Departmental

##### Basis of accounting

Screen Australia's Budgeted Departmental Financial Statements have been prepared on an accrual basis and in accordance with the Australian Accounting Standards, the Accounting Interpretations issued by the Australian Accounting Standards Board and Urgent Issues Group (UIG) Abstracts.

##### Cash at Bank and Investments under S18 of the CAC Act

For the purposes of the Budgeted Departmental Statement of Cash Flows, cash includes cash on hand, deposits held at call with banks and investments in term deposits maturing within 90 days or less.

A significant proportion of the cash at bank balance and investments in term deposits held by Screen Australia has been committed under contracts to film industry assistance related investments and can only be expended subject to contract conditions being met by film developers and producers.

##### Non-Financial Assets

Purchases of property (land, buildings and leasehold improvements), and plant and equipment are recognised initially at cost in the budgeted departmental Balance Sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition. Other non-financial assets include prepayments.

### **Asset valuation**

Screen Australia uses fair value as the basis for valuing its property and plant and equipment. Valuations undertaken in any year are as at 30 June.

### **Depreciation and amortisation**

Depreciable plant and equipment and leased computer equipment assets are written-off to their estimated residual values over their estimated useful lives using in all cases the straight line method of depreciation. Leasehold improvements are amortised on a straight line basis over the lesser of the estimated life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised.

### **Receivables**

A provision is raised for any doubtful debts based on a review of the collectability of all outstanding accounts as at year end. Bad debts are written off during the year in which they are identified. Receivables primarily comprise amounts receivable from the sale of goods and services, GST receivable and assistance provided to the film industry in the form of loans.

### **Liabilities – Leases**

This item contains the estimated amount owing by Screen Australia in respect of finance leases for computer equipment.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Income Statement on a basis that is representative of the pattern of benefits derived from the lease assets.

### **Film Investments and Loans, Provision for Loss and Write-offs**

The Other Investments category in the Budgeted Departmental Statement of Financial Position comprises assistance provided to the film industry in the form of film investments for both the development and production of film and interactive media

projects. Other investments are disclosed net after any recoupment, provision for loss and write-offs.

The write-down of assets balance included within expenses from ordinary activities in the Budgeted Statement of Financial Performance is mainly comprised of adjustments to the provision for loss for film investments and loans as well as the write-off of loans and film investments not previously provided for.

### **Grants Expense**

Grants expense mainly includes film industry assistance provided in the form of grants to filmmakers, screen organisations, industry guilds and associations. The types of grants Screen Australia disburses includes organisational grants, production grants, internship grants and travel grants.

### **Provisions**

Provisions predominantly relate to employee annual leave and long service leave entitlements and provision for onerous film contracts. Where a company is contractually committed to provide funds to film makers at year end, provision is made for the excess of the funds to be provided over the amounts expected to be recouped from the related portion of each film investment in the future.

### **Payables**

Other payables predominantly relates to prepayments and Screen Australia's Sydney accommodation lease, which provides for a lease incentive in the form of a fit-out. The proposed lease incentive has been accounted for in accordance with UIG Abstract 3, *Lease Incentives* and UIG Interpretation 115, *Operating Leases - Incentives*, which require the lease incentive to be treated as a liability. The liability then reduces over the lease term as it is repaid through a component of the periodic rental payments.



## PORTFOLIO GLOSSARY

Term	Meaning
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
AEIFRS	Australian Equivalents to International Financial Reporting Standards.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriation.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.

## *Glossary*

Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency 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	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.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specific outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
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.

Intermediate outcomes	More specific medium-term impacts (for example, trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. ( <i>see outcomes</i> )
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Output groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.

## Glossary

Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations ( <i>Financial Management and Accountability (FMA) Act 1997</i> , subsection 20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 20 FMA Act) or through an Act of Parliament (referred to in section 21 of the FMA Act).
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special purpose appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>
Total Price of Output	Revenue from the government for departmental items and revenue from other sources, including <i>Financial Management and Accountability Act 1997</i> s.31 revenues, Commonwealth Authorities and Companies body revenues that are available to be expensed, special accounts (non-appropriation revenues) and resources received free of charge. All funds are attributable to the outputs of the agency.











