

**PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS 2011-12**

HUMAN SERVICES PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2011-12

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The document must be attributed as the Portfolio Additional Estimates Statements 2011-12 Human Services Portfolio

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THE HON BRENDAN O'CONNOR MP

Minister for Human Services
Minister Assisting for School Education

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2011-12 Additional Estimates for the Human Services portfolio.

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

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brendan O'Connor'.

Brendan O'Connor

Abbreviations and conventions

The following notations may be used:

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nfp	not for publication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

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

ENQUIRIES

Should you have any enquiries regarding this publication please contact Darren Box, Chief Financial Officer in the Department of Human Services on (02) 6223 4433.

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 ADDITIONAL
ESTIMATES STATEMENTS**

USER GUIDE

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

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2011-12. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2011-12* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

User guide	
Provides a brief introduction explaining the purpose of the PAES.	
Portfolio overview	
Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.	
Agency additional estimates statements	
A statement (under the name of the agency) for each agency affected by Additional Estimates.	
Section 1: Agency overview and resources	This section details the total resources available to an agency, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4.
Section 2: Revisions to outcomes and planned performance	This section details changes to Government outcomes and/or changes to the planned performance of agency programs.
Section 3: Explanatory tables and budgeted financial statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
Glossary	Explains key terms relevant to the Portfolio.
Index (Optional)	Alphabetical guide to the Statements

CONTENTS

Portfolio Overview	3
Department of Human Services.....	9
Glossary	49

PORTFOLIO OVERVIEW

HUMAN SERVICES PORTFOLIO OVERVIEW

Minister and portfolio responsibilities

On 1 July 2011 the *Human Services Legislation Amendment Act 2011* integrated the services of Medicare Australia and Centrelink into the Department of Human Services.

The department delivers a range of government and other payments and services to individuals, families and communities. The department also provides policy advice on service delivery matters to government to ensure effective, innovative, and efficient implementation of Government service delivery.

Human Services Agencies

The Human Services portfolio comprises the following General Government Sector entity and Non-General Government Sector entity, as shown in Figure 1.

General Government Sector Entity

- Department of Human Services.

Non-General Government Sector Entity (Public Non-Financial Corporations)

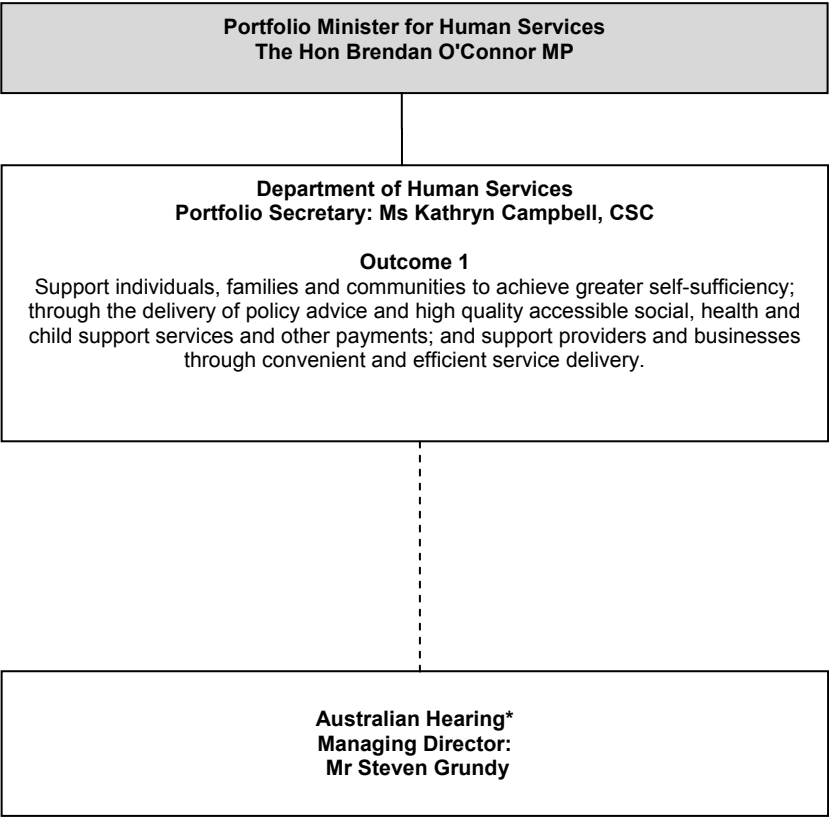
- Australian Hearing is one of the largest hearing services providers in the world and is dedicated to helping people manage their hearing impairment so they have a better quality of life. Australian Hearing provides a full range of hearing services for young Australians up to the age of 26, eligible adults and aged pensioners, and most war veterans.

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. These entities are not reported in the Portfolio Budget Statements or Portfolio Additional Estimates Statements.

More comprehensive information on activities undertaken within the Department of Human Services is available on the following web site:

<http://www.humanservices.gov.au>

Figure 1: Human Services portfolio structure and outcomes



* This agency is a Non-General Government Sector entity and is not consolidated into the Commonwealth general government sector fiscal estimates. Therefore it is not reported in the Portfolio Budget Statements or Portfolio Additional Estimates Statements.

PORTFOLIO RESOURCES

Table 1 shows for those agencies reporting in the Portfolio Additional Estimates Statements the additional resources provided to the portfolio in the 2011-12 budget year, by agency.

Table 1: Portfolio resources 2011-12

	Appropriation			Receipts	Total
	Bill No. 3	Bill No. 4	Special		
	\$m	\$m	\$m	\$m	\$m
Department of Human Services					
Administered appropriations	0.6	-	6.1	2.2	8.9
Departmental appropriations	73.9	6.8	-	94.9	175.6
Total:	74.5	6.8	6.1	97.1	184.5
Portfolio total					184.5
Additional resources available within portfolio:					184.5

AGENCY ADDITIONAL ESTIMATES STATEMENTS

Department of Human Services..... 9

DEPARTMENT OF HUMAN SERVICES

Section 1: Agency overview and resources	11
1.1 Strategic Direction.....	11
1.2 Agency Resource Statement	11
1.3 Agency Measures table.....	16
1.4 Additional Estimates and variations	19
1.5 Breakdown of Additional Estimates by appropriation bill	22
Section 2: Revisions to agency outcomes and planned performance.....	24
2.1 Resources and performance information	24
Section 3: Explanatory tables and budgeted financial statements	29
3.1 Explanatory tables.....	29
3.2 Budgeted financial statements.....	31

DEPARTMENT OF HUMAN SERVICES

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

On 1 July 2011 the *Human Services Legislation Amendment Act 2011* integrated the services of Medicare Australia and Centrelink into the Department of Human Services. The Department's strategic direction is outlined in full in the 2011-12 Portfolio Budget Statements.

The Department is seeking an additional \$74.5 million in departmental and administered funding through the Appropriation Bill (No. 3) 2011-12.

The Department is seeking an additional \$6.8 million in departmental for capital measures through Appropriation Bill (No. 4) 2011-12.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of Human Services at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2011-12 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations, special accounts and receipts from external sources.

Table 1.1: Department of Human Services resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012

	Estimate as at Budget ⁺	Proposed Additional Estimates ⁼	Total estimate at Additional Estimates	Total available appropriation ¹⁰
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	680,370	-	680,370	862,099
Departmental appropriation ³	4,193,691	73,925	4,267,616	3,842,780
s31 Relevant agency receipts ⁴	242,432	94,923	337,355	489,362
Total	5,116,493	168,848	5,285,341	5,194,241 ¹¹
Administered expenses				
Outcome 1	9,313	599	9,912	3,040
Total	9,313	599	9,912	3,040 ¹²
Total ordinary annual services A	5,125,806	169,447	5,295,253	5,197,281
Other services⁵				
Departmental non-operating				
Prior year departmental appropriation ⁶	55,145		55,145	48,608 ¹³
Equity injections ⁷	25,213	6,781	31,994	77,477 ¹⁴
Total	80,358	6,781	87,139	126,085
Administered non-operating⁸				
Administered assets and liabilities	-	-	-	160
Total	-	-	-	160
Total other services B	80,358	6,781	87,139	126,245
Total available annual appropriations	5,206,164	176,228	5,382,392	5,323,526
Special appropriations				
Special appropriations limited by criteria/entitlement				
<i>Child Support (Registration and Collection) Act 1988</i>				
Section 77 - unremitted deductions	77,325	6,102	83,427	74,708
Section 78 - unexplained remittances	50	-	50	50
Total Special appropriations C	77,375	6,102	83,477	74,758 ¹⁵
Total appropriations excluding Special accounts	5,283,539	182,330	5,465,869	5,398,284
Special Accounts				
Opening balance ⁹	54,683	-	54,683	51,953
Appropriation receipts	78,922	6,701	85,623	85,444
Non-appropriation receipts to Special Accounts	1,190,379	2,154	1,192,533	1,084,155
Total Special Account D	1,323,984	8,855	1,332,839	1,221,552 ¹⁶
Total resourcing A+B+C+D	6,607,523	191,185	6,798,708	6,619,836
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	78,922	6,701	85,623	85,444 ¹⁷
Total net resourcing for the Department of Human Services	6,528,601	184,484	6,713,085	6,534,392 ¹⁸

Reader Note: All figures are GST exclusive

Table 1.1: Department of Human Services resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

- 1 Appropriation Bill (No.1 & 3) 2011-12.
- 2 The adjusted actual balance of \$680.4 million in prior year departmental appropriation carried into 2011-12 comprises: \$254.0 million for Department of Human Services (DHS); \$251.4 million for Centrelink; \$175.0 million for Medicare Australia.
- 3 The 2011-12 estimate as at Budget of \$4,193.7 million includes an amount of \$285.0 million in 2011-12 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount is designated as 'contributions by owners' in Table 3.2.3.
- 4 Section 31 Relevant agency receipts - estimate.
- 5 Appropriation Bill (No. 2 & 4) 2011-12.
- 6 The adjusted actual balance of \$55.1 million in prior year departmental non operating appropriation carried into 2011-12 comprises: \$6.3 million for DHS; \$32.7 million for Centrelink; \$16.1 million for Medicare Australia.
- 7 For accounting purposes the departmental amount is designated as 'contributions by owners' in Table 3.2.3.
- 8 The Department of Human Services does not have an Administered Capital Budget for 2011-12 (refer to Table 3.2.10 for further details).
- 9 Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non-agency Bodies). For further information on special accounts see Table 3.1.1.
- 10 The Department of Human Services (DHS), Centrelink and Medicare Australia were integrated on 1 July 2011 into a single agency following passage of the *Human Services Legislation Amendment Act 2011*. Total available appropriations for 2010-11 show the combined amounts for the three agencies.
- 11 Total available appropriation of \$5,194.2 million for 2010-11 comprises: DHS \$995.5 million, Centrelink \$3,267.3 million and Medicare Australia \$931.4 million.
- 12 Total Administered appropriation available for 2010-11 comprises: DHS \$3.0 million.
- 13 Prior year non-operating appropriation of \$48.6 million available for 2010-11 comprises: DHS \$6.3 million and Medicare Australia \$42.3 million.
- 14 Total Equity injection appropriation available in 2010-11 of \$77.5 million comprises: \$61.2 million for Centrelink and \$16.3 million for Medicare Australia.
- 15 Total special appropriations for 2010-11 comprises: DHS \$74.8 million.
- 16 Total available appropriation of \$1,221.6 million in special accounts for 2010-11 comprises: DHS Child Support Account.
- 17 Appropriations credited to Special Accounts comprises: DHS \$85.4 million.
- 18 Total Net Resourcing of \$6,534.4 million for 2010-11 comprises: DHS \$2,215.8 million, Centrelink \$3,328.5 million and Medicare Australia \$990.0 million.

Reader Note: All figures are GST exclusive

Table 1.1: Department of Human Services resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

Third Party Drawdowns from and payments on behalf of other agencies

	Estimate at Budget	Estimate at Additional Estimates
	2011-12 \$'000	2011-12 \$'000
Payments made on behalf of other agencies		
(disclosed in the respective Agency Resource Statement)		
Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)		
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	19,027,340	19,510,231
Special Appropriation - <i>Paid Parental Leave Act 2010</i>	1,394,521	1,394,521
Special Appropriation - <i>Social Security (Administration) Act 1999</i>	54,104,668	55,118,284
Annual Appropriation - Ex Gratia and Act of Grace Payments	3,729	3,829
Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE)		
Annual Appropriation - LPG Vehicle Scheme	33,175	33,175
Special Appropriation - <i>Social Security Act 1991</i>	-	1,321,512
Australian Government Attorney-General's Department (AG)		
Special Appropriation - National Security and Criminal Justice - <i>Social Security (Administration) Act 1999</i>	55,500	55,000
Department of Infrastructure and Transport (DIT)		
Annual Appropriation - Bass Strait Passenger Vehicle Equalisation Scheme	41,200	41,200
Annual Appropriation - Tasmanian Freight Equalisation Scheme	114,400	108,300
Annual Appropriation - Tasmanian Wheat Freight Scheme	1,050	150
Department of Education, Employment and Workplace Relations (DEEWR)		
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	3,778,455	4,002,896
Special Appropriation - <i>Social Security (Administration) Act 1999</i>	13,551,226	14,143,735
Special Appropriation - <i>Social Security Act 1991</i>	2,858,396	1,587,839
Special Appropriation - <i>Student Assistance Act 1973</i>	272,061	278,519
Annual Appropriation - Compensation and Debt Relief	198	198
Annual Appropriation - Child Care For Eligible Parents Undergoing Training	53,585	54,097
Department of Agriculture, Fisheries and Forestry (DAFF)		
Special Appropriation - <i>Farm Household Support Act 1992</i> (Exceptional Circumstances Relief Payment)	8,379	8,379
Annual Appropriation - Drought Assistance - Professional Advice	-	8,386
Annual Appropriation - Drought Assistance - Re-establishment Assistance	9,613	13,966
Annual Appropriation - Drought Policy Reform - Pilot of New Measures in Western Australia	12,757	14,446
Annual Appropriation - Live Animal Exports - Individual Assistance	-	68
Annual Appropriation - Live Animal Exports - Business Assistance	-	14,932
Annual Appropriation - Tackling Climate Change - Australia's Farming Future - Climate Change Adjustment Program	16,414	17,135

Table 1.1: Department of Human Services resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)

Third Party Drawdowns from and payments on behalf of other agencies (continued)

	Estimate at Budget 2011-12 \$'000	Estimate at Additional Estimates 2011-12 \$'000
Payments made on behalf of other agencies (continued)		
Department of Veterans' Affairs (DVA)		
Special Appropriation - <i>Veterans' Entitlements Act 1986</i> & Related Acts	3,796,970	3,816,924
Special Appropriation - <i>Military Rehabilitation and Compensation Act 2004</i>	5,261	8,573
Special Appropriation - <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	602	403
Department of Health and Ageing (DoHA)		
Special Appropriation - <i>Health Insurance Act 1973</i> - Medical Benefits	16,892,683	17,094,213
Special Appropriation - <i>Dental Benefits Act 2008</i>	74,829	75,306
Special Appropriation - <i>National Health Act 1953</i> - Pharmaceutical Benefits	9,525,697	9,416,580
Special Appropriation - <i>National Health Act 1953</i> - Aids and Appliances	84,441	265,761
Special Appropriation - <i>Private Health Insurance Act 2007</i>	3,728,102	4,727,403
Special Appropriation - <i>Medical Indemnity Agreement Act 2002</i>	117,199	107,500
Special Appropriation - <i>Aged Care Act 1997</i> (Total)	8,239,872	8,857,695
Special Account - <i>FMA Act 1997</i> - Australian Childhood Immunisation Register	8,340	8,340
Total Third party payments	137,810,663	142,109,496
 Receipts received from other agencies for the provision of services		
Australian Government Attorney-General's Department (AG)	-	1,084
Australian Taxation Office (ATO)	-	374
Department of Climate Change and Energy Efficiency (DCCEE)	446	1,241
Department of Defence	623	-
Department of Education, Employment and Workplace Relations (DEEWR)	144,156	159,433
Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)	9,324	21,980
Department of the Treasury	-	1,339
Department of Foreign Affairs and Trade (DFAT)	4,940	5,947
Department of Health and Ageing (DoHA)	14,783	58,685
Department of Veterans' Affairs (DVA)	16,355	33,184
Total s31 Relevant agency receipts received for the provision of services	190,627	283,267

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Agency 2011-12 Measures since Budget

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measures					
Early Intervention to prevent debts for customers commencing employment	1.1				
Departmental expenses		-	15,148	15,252	12,933
Student Income Support - administrative costs	1.1				
Departmental expenses		7,038	404	2,217	2,160
Department of Agriculture, Fisheries and Forestry					
Drought Assistance - additional funding for Exceptional Circumstances Exit Grants	1.1				
Departmental expenses		42	-	-	-
Live Animal Exports					
- Assistance to Individuals	1.1				
Departmental expenses		1,223	-	-	-
- Business Assistance	1.1				
Departmental expenses		2,421	-	-	-
Department of Climate Change and Energy Efficiency					
Clean Energy Future					
- implementation	1.1				
Departmental expenses		(189)	(119)	-	-
Department of Broadband, Communications and the Digital Economy					
Digital Productivity - Leveraging the National Broadband network infrastructure to enhance service delivery	1.1				
Departmental expenses		1,810	1,481	1,506	1,623
Department of Education, Employment and Workplace Relations					
BlueScope Steel workers - assistance	1.1				
Departmental expenses		163	-	-	-
Building Australia's Future Workforce Measures - consequential amendments	1.1				
Departmental expenses		1,135	131	106	106
Stronger Futures in the Northern Territory					
- expansion of the School Enrolment and Attendance Measure	1.1				
Departmental expenses		4,037	5,512	6,365	6,881

Prepared on a Government Financial Statistics (fiscal) basis

Table 1.2: Agency 2011-12 Measures since Budget (Continued)

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Department of Families, Housing, Community Services and Indigenous Affairs					
Baby Bonus - reset to \$5,000 and pause indexation for three years	1.1				
Departmental expenses		372	1,549	49	-
Better Targeting of Immunisation Incentives	1.1				
Departmental expenses		10,881	6,456	2,184	1,117
Clean Energy Future					
- Helping Households - tax cuts and increased payments	1.1				
Departmental expenses		36,854	43,594	30,572	23,602
Family Tax Benefit - Cease fortnightly payments to families who have zero entitlement for two consecutive years	1.1				
Departmental expenses		5,801	509	44	(9)
National Carer Strategy ¹	1.1				
Departmental expenses		1,897	805	876	701
Stronger Futures in the Northern Territory					
- Tackling Alcohol Abuse	1.1				
Departmental expenses		-	1,426	244	-
Weekly income support payments to vulnerable Australians - expansion	1.1				
Departmental expenses		-	-	-	-
Department of Health and Ageing					
Herceptin Program - additional vial size	1.1				
Departmental expenses		575	-	-	-
Medicare Benefits Schedule - new and revised listings	1.1				
Departmental expenses		(5)	(23)	(26)	(29)
Pharmaceutical Benefits Scheme - new and amended listings	1.1				
Departmental expenses		354	422	634	662
Department of the Treasury					
Personal Income tax					
- 50 per cent tax discount for interest income - deferral	1.1				
Departmental expenses		(908)	(1,658)	1,400	-
- standard deduction for work-related expenses and the cost of managing tax affairs - deferral	1.1				
Departmental expenses		(722)	132	(800)	-
Cross Portfolio					
Reducing the cost of Government administration - one-off efficiency dividend	1.1				
Departmental expenses		-	(92,101)	(91,812)	(91,307)
Total		72,779	(16,332)	(31,189)	(41,560)
Total expense measures					
Departmental		72,779	(16,332)	(31,189)	(41,560)
Total		72,779	(16,332)	(31,189)	(41,560)

Prepared on a Government Financial Statistics (fiscal) basis

Table 1.2: Agency 2011-12 Measures since Budget (Continued)

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Capital measures					
Early Intervention to prevent debts for customers commencing employment	1.1				
Departmental capital		-	2,593	-	-
Student Income Support - administrative costs	1.1				
Departmental capital		1,525	-	-	-
Department of Broadband, Communications and the Digital Economy					
Digital Productivity - Leveraging the National Broadband network infrastructure to enhance service delivery	1.1				
Departmental capital		702	-	-	-
Department of Education, Employment and Workplace Relations					
Stronger Futures in the Northern Territory - expansion of the School Enrolment and Attendance Measure	1.1				
Departmental capital		2,069	57	-	-
Department of Families, Housing, Community Services and Indigenous Affairs					
Better Targeting of Immunisation Incentives	1.1				
Departmental capital		-	237	-	-
Clean Energy Future - Helping Households - tax cuts and increased payments	1.1				
Departmental capital		1,824	3,680	3,159	742
Department of Health and Ageing					
Herceptin Program - additional vial size	1.1				
Departmental capital		434	-	-	-
Pharmaceutical Benefits Scheme - new and amended listings	1.1				
Departmental capital		227	-	-	-
Cross Portfolio					
Departmental Capital Budgets - Savings	1.1				
Departmental capital		-	(31,731)	(25,135)	(47,969)
Total capital measures					
Administered		-	-	-	-
Departmental		6,781	(25,164)	(21,976)	(47,227)
Total		6,781	(25,164)	(21,976)	(47,227)

Prepared on a Government Financial Statistics (fiscal) basis

- The figures for this measure differ to the amounts published in 2011-12 MYEFO because funding of \$0.2 million in 2011-12; \$0.5 million in 2012-13; \$0.6 million in 2013-14; \$0.5 million in 2014-15 for this measure being included as a 'decision taken but not yet announced' in the 2011-12 Budget and not disclosed in the 2011-12 Portfolio Budget Statements for the Human Services Portfolio. These amounts are now included in the Human Services 2011-12 Portfolio Additional Estimates Statements.

1.4 Additional Estimates and variations

The following tables detail the changes to the resourcing for the Department of Human Services at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Outcome 1					
Increase in estimates (departmental)					
Early Intervention to prevent debts for customers commencing employment	1.1	-	17,741	15,252	12,933
Student Income Support - administrative costs	1.1	8,563	404	2,217	2,160
Drought Assistance - additional funding for Exceptional Circumstances Exit Grants	1.1	42	-	-	-
Live Animal Exports					
- Assistance to Individuals	1.1	1,223	-	-	-
- Business Assistance	1.1	2,421	-	-	-
Digital Productivity - Leveraging the National Broadband network infrastructure to enhance service delivery	1.1	2,512	1,481	1,506	1,623
BlueScope Steel workers - assistance	1.1	163	-	-	-
Building Australia's Future Workforce Measures					
- consequential amendments	1.1	1,135	131	106	106
Stronger Futures in the Northern Territory					
- Tackling Alcohol Abuse	1.1	-	1,426	244	-
- expansion of the School Enrolment and Attendance Measure	1.1	6,106	5,569	6,365	6,881
Baby Bonus - reset to \$5,000 and pause indexation for three years	1.1	372	1,549	49	-
Better Targeting of Immunisation Incentives	1.1	10,881	6,693	2,184	1,117
Clean Energy Future					
- Helping Households - tax cuts and increased payments	1.1	38,678	47,274	33,731	24,344

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

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Increases in estimates (departmental) <i>continued</i>					
Family Tax Benefit - Cease fortnightly payments to families who have zero entitlement for two consecutive years	1.1	5,801	509	44	(9)
National Carer Strategy ¹	1.1	1,897	805	876	701
Herceptin Program - additional vial size	1.1	1,009	-	-	-
Pharmaceutical Benefits Scheme - new and amended listings	1.1	581	422	634	662
Decrease in estimates (departmental)					
Clean Energy Future					
- implementation	1.1	(189)	(119)	-	-
Medicare Benefits Schedule					
- new and revised listings	1.1	(5)	(23)	(26)	(29)
Personal Income tax					
- 50 per cent tax discount for interest income - deferral	1.1	(908)	(1,658)	1,400	-
- standard deduction for work-related expenses and the cost of managing tax affairs - deferral	1.1	(722)	132	(800)	-
Reducing the cost of Government administration					
- one-off efficiency dividend	1.1	-	(92,101)	(91,812)	(91,307)
Departmental Capital Budgets					
- Savings	1.1	-	(31,731)	(25,135)	(47,969)
Net impact on estimates					
for Outcome 1 (departmental)		79,560	(41,496)	(53,165)	(88,787)

1. The figures for this measure differ to the amounts published in 2011-12 MYEFO because funding of \$0.2 million in 2011-12; \$0.5 million in 2012-13; \$0.6 million in 2013-14; \$0.5 million in 2014-15 for this measure being included as a 'decision taken but not yet announced' in the 2011-12 Budget and not disclosed in the 2011-12 Portfolio Budget Statements for the Human Services Portfolio. These amounts are now included in the Human Services 2011-12 Portfolio Additional Estimates Statements.

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

	Program impacted	2011-12 (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)
Outcome 1					
Increase in estimates (administered)					
Economic parameter update -					
Administered expenses	1.1	-	2	4	2
Other changes in program specific parameters	1.2	599	561	575	590
Net impact on estimates for Outcome 1 (administered)		599	563	579	592
Increase in estimates (departmental)					
Direct Appropriation for					
- Superannuation Clearing House	1.1	-	6,147	6,245	6,397
- Early Release of Superannuation	1.1	2,710	-	-	-
- Family Assistance Office	1.1	153	154	154	155
Standard deduction for work and tax related expenses	1.1	-	-	10	55
Personal Income tax - 50 per cent tax discount for interest income - deferral	1.1	-	-	154	277
Economic parameter update -					
- Departmental expenses	1.1	-	3,541	7,071	3,517
- Departmental Capital Budget	1.1	-	155	246	235
Change in transaction volumes	1.1	1,081	(895)	(343)	398
Continuation of previous Budget measure -					
- COAG Health Services promoting good health, prevention and early intervention	1.1	337	337	337	337
Reversal of previous Budget measures					
- Trialling MBS eligibility image only x-ray services	1.1	143	390	671	677
Decrease in estimates (departmental)					
Reversal of previous Budget measures					
- Agriculture - Advancing Australia - Farm Help	1.1	(3,278)	(3,300)	(3,324)	(3,355)
Net impact on estimates for Outcome 1 (departmental)		1,146	6,529	11,221	8,693

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of Humans Services through Appropriation Bills No. 3 and No. 4.

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

	2010-11 Available (\$'000)	2011-12 Budget (\$'000)	2011-12 Revised (\$'000)	Additional Estimates (\$'000)	Reduced Estimates (\$'000)
ADMINISTERED ITEMS					
Outcome 1					
Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	3,040	9,313	9,912	658	(59)
Total	3,040	9,313	9,912	658	(59)
DEPARTMENTAL PROGRAMS					
Outcome 1					
Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	3,842,780	4,193,691	4,267,616	85,100	(11,175)
Total	3,842,780	4,193,691	4,267,616	85,100	(11,175)
Total administered and departmental	3,845,820	4,203,004	4,277,528	85,758	(11,234)

Table 1.6: Appropriation Bill (No. 4) 2011-12

	2010-11 Available (\$'000)	2011-12 Budget (\$'000)	2011-12 Revised (\$'000)	Additional Estimates (\$'000)	Reduced Estimates (\$'000)
Non-operating					
Equity injections	77,477	25,213	31,994	6,781	-
Administered assets and liabilities	160	-	-	-	-
Total non-operating					
Department of Human Services	77,637	25,213	31,994	6,781	-
Total	77,637	25,213	31,994	6,781	-

Section 2: Revisions to agency resources and planned performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There have been no changes to the Department of Human Services outcome and program structure since the Budget. Full details can be found in the 2011-12 Portfolio Budget Statements.

Table 2.1 Budgeted Expenses and Resources for Outcome 1

Outcome 1: Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	2010-11 Actual expenses ³ \$'000	2011-12 Revised estimated expenses \$'000
Program 1.1: Services to the Community		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	2,376	7,766
Expenses not requiring appropriation in the Budget year ¹	18	36
Departmental expenses		
Departmental Appropriation ²	4,107,749	4,258,592
Expenses not requiring appropriation in the Budget year ¹	384,469	250,725
Total for Program 1.1	4,494,612 ⁴	4,517,119
Program 1.1 Expenses by subfunction		
Medical services and benefits	592,401	-
Pharmaceutical services and benefits	172,443	-
Health - general administration	-	753,610
Assistance to people with disabilities	195,141	185,133
Social security and welfare - general administration	3,534,627	3,578,376
Total	4,494,612	4,517,119
Program 1.2: Child Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	2,441	2,146
Special appropriations	83,003	83,477
Special accounts	1,036,479	1,124,069
Expenses not requiring appropriation in the Budget year ¹	104,576	70,092
Total for Program 1.2	1,226,499 ⁵	1,279,784
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	4,817	9,912
Special appropriations	83,003	83,477
Special Accounts	1,036,479	1,124,069
Expenses not requiring appropriation in the Budget year ¹	104,594	70,128
Departmental expenses		
Departmental Appropriation ²	4,107,749	4,258,592
Expenses not requiring appropriation in the Budget year ¹	384,469	250,725
Total expenses for Outcome 1	5,721,111 ⁶	5,796,903
	2010-11	2011-12
Average Staffing Level (number)	34,973 ⁷	34,172

Agency Additional Estimates Statements – Department of Human Services

1. Departmental expenses not requiring appropriation in the Budget year is made up of unfunded depreciation expense, amortisation expense, resources received free of charge and operating results. Administered expenses not requiring appropriation in the Budget year is made up of depreciation expense and net write down of assets.
2. Departmental Appropriation combines expenses funded by 'Ordinary annual services (Appropriation Bill No. 1', 'Appropriation Bill No. 3' and 'Revenue from independent sources' (s31).
3. The Department of Human Services (DHS), Centrelink and Medicare Australia were integrated on 1 July 2011 into a single agency following enactment of the *Human Services Legislation Amendment Act 2011*. Actual expenses for 2010-11 shows the combined amounts for the three agencies.
4. Total expenses of \$4,494.6 million for Program 1.1 for 2010-11 comprises: DHS \$817.0 million; Centrelink \$2,912.8 million and Medicare Australia \$764.8 million.
5. Total expenses for Program 1.2 for 2010-11 comprises: DHS \$1,226.5 million.
6. Total expenses of \$5,721.1 million for Outcome 1 for 2010-11 comprises: DHS \$2,043.5 million; Centrelink \$2,912.8 million and Medicare Australia \$764.8 million.
7. Average Staffing Level (ASL) for 2010-11 comprises: DHS 5,733; Centrelink 23,910 and Medicare Australia 5,330.

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

Program 1.1 Objective

There have been no changes to Program 1.1 Objectives since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Program 1.1 Expenses

	2010-11 Actuals	2011-12 Revised budget	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual administered expenses:					
Income Management Card	2,376	5,006	5,006	5,006	-
Future Workforce	-	2,760	10,792	9,825	8,855
Expenses not requiring appropriation in the Budget year ¹	18	36	36	36	35
Annual departmental expenses funded by:					
Ordinary annual services (Appropriation Bill No. 1 & 3)	3,646,442	3,926,427	3,607,057	3,598,196	3,575,859
Revenues from other sources	461,307	332,165	282,129	282,689	249,093
Expenses not requiring appropriation in the Budget year ¹	384,469	250,725	240,361	229,864	236,071
Total program expenses	4,494,612	4,517,119	4,145,381	4,125,616	4,069,913
Expenses by subfunction					
Departmental					
Medical Services and benefits	592,401	-	-	-	-
Pharmaceutical Services & Benefits	172,443	-	-	-	-
Health - General Administration	-	753,610	641,449	646,101	636,518
Assistance to People with Disabilities	195,141	185,133	182,866	182,870	182,872
Social Security and Welfare - General Administration	3,532,233	3,570,574	3,305,232	3,281,778	3,241,633
Total Departmental	4,492,218	4,509,317	4,129,547	4,110,749	4,061,023
Administered					
Social Security and Welfare - General Administration	2,394	7,802	15,834	14,867	8,890
Total Administered	2,394	7,802	15,834	14,867	8,890
Total Expenses by Sub Function	4,494,612	4,517,119	4,145,381	4,125,616	4,069,913

1. Departmental expenses not requiring appropriation in the Budget year is made up of unfunded depreciation expense, amortisation expense, resources received free of charge and operating results. Administered expenses not requiring appropriation in the Budget year is made up of depreciation expense.

Program 1.1 Deliverables

There have been no changes to Program 1.1 Deliverables since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Program 1.1 Key Performance Indicators

There have been no changes to Program 1.1 Key Performance Indicators since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Program 1.2 Objective

There have been no changes to Program 1.2 Objectives since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Program 1.2 Expenses

	2010-11 Actuals \$'000	2011-12 Revised budget \$'000	2012-13 Forw ard year 1 \$'000	2013-14 Forw ard year 2 \$'000	2014-15 Forw ard year 3 \$'000
Annual administered expenses:					
Child Support dishonoured cheques and other shortfalls	2,441	2,146	2,157	2,211	2,267
Special Appropriations:					
Child Support Act ¹					
- s77 - unremitted deductions	83,003	83,427	77,845	79,792	81,788
- s78 - unexplained remittances	-	50	50	50	50
Special Account Expenses:					
Child Support Account	1,036,479	1,124,069	1,122,468	1,161,802	1,191,297
Expenses not requiring appropriation in the Budget year ²	104,576	70,092	95,422	97,354	99,330
Total program expenses	1,226,499	1,279,784	1,297,942	1,341,209	1,374,732

1. Child Support (Registration and Collection) Act 1988.

2. Expenses not requiring appropriation in the Budget year consist of net write-down of Child Support receivables.

Program Deliverables

There have been no changes to Program 1.2 deliverables since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Program Key Performance Indicators

There have been no changes to Program 1.2 Key Performance Indicators since the 2011-12 Budget. Full details appear in the 2011-12 Portfolio Budget Statements.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Human Services. The corresponding table in the 2011-12 Portfolio Budget Statements is Table 3.1.2.

Table 3.1.1: Estimates of special account flows

		Opening balance 2011-12 2010-11	Receipts 2011-12 2010-11	Payments 2011-12 2010-11	Adjustments 2011-12 2010-11	Closing balance 2011-12 2010-11
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Child Support Account ¹ (A)	1	54,683 51,953	1,278,156 1,169,599	(1,278,156) (1,166,869)	- -	54,683 54,683
Recovery of Compensation for Health Care & Other Services Special Account ² (A)	1	47,548 48,325	247,557 236,100	(224,820) (236,877)	- -	70,285 47,548
Superannuation Clearing House ³ (A)	1	1,955 -	140,882 57,962	(140,882) (56,007)	- -	1,955 1,955
Other Trust Moneys - Department of Human Services Special Account ⁴ (A)	1	- -	- -	- -	- -	- -
Commonwealth Service Delivery Agency Other Trust Moneys Account ⁵ (A) & (D)	1	- 246	- 5,737	- (5,896)	- -	- 87
Services for Other Entities and Trust Moneys - Medicare Australia Special Account ⁶ (D)	1	101 99	738 1,615	(839) (1,613)	- -	- 101
Services for Other Entities and Trust Moneys – Department of Human Services Special Account ⁷ (A) & (D)	1	- -	4,836 -	(4,752) -	316 -	400 -
Total special accounts 2011-12 Budget estimate		104,287	1,672,169	(1,649,449)	316	127,323
<i>Total special accounts 2010-11 actual</i>		<i>100,623</i>	<i>1,471,013</i>	<i>(1,467,262)</i>	<i>-</i>	<i>104,374</i>

(A) = Administered

(D) = Departmental

Agency Additional Estimates Statements – Department of Human Services

1. Child Support Account - s73 *Child Support (Registration and Collection) Act 1988* is operated by the Department of Human Services. The purpose of this account is to receive payments for child support debts and appropriation amounts to be paid to child support recipients.
2. Recovery of Compensation for Health Care and Other Services Special Account - s20 *FMA Act* Determination 2005/24 - was operated by Medicare Australia in 2010-11. Funds are held pending a determination of the amount recoverable in respect of Medicare Benefits and Nursing Home or Residential Care Subsidies paid. The amount recovered is returned to the Official Public Account via the Department of Health and Ageing.
3. Superannuation Clearing House Special Account - s20 *FMA Act* Determination 2010/05 was operated by Medicare Australia in 2010-11. The purpose of this account is for the receipt of employer superannuation contributions by eligible employers and payment to the relevant superannuation funds.
4. Other Trust Moneys - Department of Human Services Special Account, s20 *FMA Act* Determination 2005/12 - this special account, operated by the Department of Human Services in 2010-11, was abolished on 30 June 2011 under s20 *FMA Act* Determination 2011/12.
5. Commonwealth Service Delivery Agency Other Trust Moneys Account - s20 *FMA Act* Determination 2001/4 - this special account, operated by Centrelink in 2010-11, was abolished on 30 June 2011 under s20 *FMA Act* Determination 2011/12.
6. Services for Other Entities and Trust Moneys - Medicare Australia Special Account, s20 *FMA Act* Determination 2009/18 - this special account, operated by Medicare Australia in 2010-11, was abolished on 5 December 2011 under s20 *FMA Act* Determination 2011/12.
7. Services for Other Entities and Trust Moneys - Department of Human Services Special Account. - s20(1) *FMA Act* Determination 2011/13. This special account enables the Department of Human Services to hold and expend amounts on behalf of persons or entities other than the Commonwealth. The closing balance of Commonwealth Service Delivery Agency Other Trust Moneys Account (operated by Centrelink), has been transferred to this special account.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The financial statements are presented to reflect integration of Centrelink and Medicare Australia into the Department of Human Services as of 1 July 2011. In order to show comparable data for 2010-11, the aggregate of the former agencies is shown.

The 2010-11 aggregate actual amounts for the former agencies are disclosed in footnotes. These notes can be compared with tables published in the 2010-11 Portfolio Budget Statements and the 2010-11 Portfolio Additional Estimates Statements.

Departmental comprehensive income statement (Table 3.2.1)

Since the 2011-12 Budget, Appropriation revenue in 2011-12 has increased by \$73.5 million, mainly due to new expense measures of \$72.8 million as per Table 1.2, plus other variations of \$1.1 million as per Table 1.4.

Own source revenue has increased by \$92.2 million since the 2011-12 Budget. This reflects additional revenue from service agreements with the Department of Education, Employment and Workplace Relations \$15.3 million; Department of Families, Housing, Community Services and Indigenous Affairs \$12.7 million; Department of Health and Ageing \$43.9 million; Department of Veterans' Affairs \$16.8 million; plus other variations totalling \$3.5 million.

Expenses in 2011-12 have been revised upwards by \$165.4 million since the 2011-12 Budget, consistent with the movement in total revenue.

Departmental balance sheet (Table 3.2.2)

Movements in balances since the 2011-12 Budget are mainly due to adjusting differences between the estimated actual 2010-11 balances as at Budget and actual 2010-11 balances as at 30 June 2011.

Departmental statement of changes in equity (Table 3.2.3)

Total equity has decreased by \$11.1 million since the 2011-12 Budget estimate to adjust for differences between the amounts estimated for various equity items at Budget (in May 2011) and the actual 2010-11 balances as at 30 June 2011.

Departmental cash flow (Table 3.2.4)

Since Budget, cashflows have been impacted by new measures, changes in expenses and changes in own source revenue. This has resulted in increased cash receipts of \$245.8 million and payments of \$259.8 million from operating activities. Overall, net cash held has decreased by \$8.6 million since Budget.

Departmental capital budget statement (Table 3.2.5)

Changes to the department's capital expenditure since Budget consists of equity injection appropriation which has increased by \$6.8 million and purchase of non-financial assets funded by appropriation in 2011-12 which has increased by \$22.1 million due to the movement of unspent funds from 2010-11.

Statement of asset movements (Table 3.2.6)

Total land, buildings, property, plant & equipment and intangible assets have decreased by \$31.6 million since Budget, mainly due to the actual value of assets transferred from Centrelink and Medicare Australia being \$55.3 million less than the estimated value at Budget, offset by an increase of \$28.9 million in asset purchases following movement of unspent equity injections (\$22.1 million) from 2010-11 into 2011-12, plus an increase in equity injections (\$6.8 million) for new measures since Budget.

3.2.2 Budgeted financial statements

Table 3.2.1: Budgeted departmental Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June

	Actual ¹ 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
EXPENSES					
Employee benefits	2,725,677	2,734,504	2,528,395	2,524,010	2,413,758
Supplier expenses	1,508,469	1,515,109	1,348,879	1,345,602	1,400,555
Depreciation and amortisation	239,709	254,968	247,537	236,401	241,974
Write-down and impairment of assets	17,078	4,517	4,517	4,517	4,517
Losses from asset sales	187	-	-	-	-
Other	1,098	219	219	219	219
Total expenses ²	4,492,218	4,509,317	4,129,547	4,110,749	4,061,023
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	457,828	329,224	279,188	279,748	246,152
Rental income	2,459	1,941	1,941	1,941	1,941
Other	1,020	1,000	1,000	1,000	1,000
Total own source revenue ³	461,307	332,165	282,129	282,689	249,093
Gains					
Sale of Assets	3,598	-	-	-	-
Other Gains	10,326	3,378	3,433	3,488	3,545
Total gains ⁴	13,924	3,378	3,433	3,488	3,545
Total own Source Income	475,231	335,543	285,562	286,177	252,638
Net cost of (contribution by) services	4,016,987	4,173,774	3,843,985	3,824,572	3,808,385
Revenue from Government ⁵	3,642,581	3,926,427	3,607,057	3,598,196	3,575,859
Surplus (Deficit)	(374,406)	(247,347)	(236,928)	(226,376)	(232,526)
Surplus (Deficit) attributable to the Australian Government	(374,406)	(247,347)	(236,928)	(226,376)	(232,526)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	10,677	-	-	-	-
Total other comprehensive income	10,677	-	-	-	-
Total comprehensive income	(363,729)	(247,347)	(236,928)	(226,376)	(232,526)
Total comprehensive income (loss) attributable to the Australian Government	(363,729)	(247,347)	(236,928)	(226,376)	(232,526)

Prepared on Australian Accounting Standards basis.

Table 3.2.1: Budgeted departmental Comprehensive Income Statement (Showing Net Cost of Services) *continued*

Note: Reconciliation of comprehensive income attributable to the agency					
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income					
(loss) attributable to the					
Australian Government	(363,729)	(247,347)	(236,928)	(226,376)	(232,526)
plus non-appropriated expenses					
depreciation and amortisation					
expenses	235,595	247,347	238,527	227,976	234,126
Total Comprehensive Income					
(loss) attributable to the					
Agency	(128,134)	-	1,599	1,600	1,600

1. Numbers provided for 2010-11 show combined amounts for the Department of Human Services (DHS), Centrelink and Medicare Australia prior to integration and reflect actual amounts as per agency annual reports.
2. Total expenses of \$4,492.2 million for 2010-11 comprises: DHS \$814.6 million, Centrelink \$2,912.8 million and Medicare Australia \$764.8 million.
3. Total own-source revenue of \$461.3 million for 2010-11 comprises: DHS \$202.4 million, Centrelink \$161.6 million and Medicare Australia \$97.3 million.
4. Total gains of \$13.9 million for 2010-11 comprises: DHS \$2.8 million, Centrelink \$10.8 million and Medicare Australia \$0.3 million.
5. Total revenue from government of \$3,642.6 million for 2010-11 comprises: DHS \$503.8 million, Centrelink \$2,519.7 million and Medicare Australia \$619.1 million.

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

	Actual ¹ 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	31,881	25,790	26,068	26,390	26,634
Trade and other receivables	906,639	819,820	811,553	829,225	876,794
Other	6,745	6,431	6,431	6,431	6,431
Total financial assets ²	945,265	852,041	844,052	862,046	909,859
Non-financial assets					
Land and buildings	376,644	389,439	338,056	310,975	267,709
Property, plant and equipment	116,654	130,962	113,050	72,289	92,528
Heritage and cultural assets	93	93	93	93	93
Intangibles	330,651	405,213	375,402	318,330	293,805
Other Non-financial Assets	70,005	71,583	73,239	74,944	74,944
Total non-financial assets ³	894,047	997,290	899,840	776,631	729,079
Total assets	1,839,312	1,849,331	1,743,892	1,638,677	1,638,938
LIABILITIES					
Payables					
Suppliers	311,513	197,539	197,288	193,929	208,763
Other	136,027	179,237	173,588	180,714	182,742
Total payables ⁴	447,540	376,776	370,876	374,643	391,505
Interest bearing liabilities					
Leases	881	881	881	881	881
Total Interest Bearing Liabilities ⁵	881	881	881	881	881
Provisions					
Employees	721,476	737,594	744,977	763,517	790,950
Other Provisions	59,397	54,938	49,440	44,597	40,473
Total provisions ⁶	780,873	792,532	794,417	808,114	831,423
Total liabilities	1,229,294	1,170,189	1,166,174	1,183,638	1,223,809
Net assets	610,018	679,142	577,718	455,039	415,129
EQUITY*					
Parent entity interest					
Contributed Equity	808,344	930,573	1,066,075	1,169,772	1,362,388
Total Reserves	80,369	15,758	15,760	15,760	15,760
Retained Surplus (accumulated deficit)	(278,695)	(267,189)	(504,117)	(730,493)	(963,019)
Total parent entity interest ⁷	610,018	679,142	577,718	455,039	415,129
Total equity	610,018	679,142	577,718	455,039	415,129

Prepared on Australian Accounting Standards basis.

Agency Additional Estimates Statements – Department of Human Services

1. Numbers provided for 2010-11 show combined amounts for the Department of Human Services (DHS), Centrelink and Medicare Australia prior to integration.
2. Total financial assets of \$945.3 million for 2010-11 comprises: DHS \$276.2 million, Centrelink \$431.6 million and Medicare Australia 237.5 million.
3. Total non-financial assets of \$894.0 million for 2010-11 comprises: DHS \$104.3 million, Centrelink \$610.5 million and Medicare Australia \$179.3 million.
4. Total payables of \$447.5 million for 2010-11 comprises: DHS \$147.3 million, Centrelink \$202.4 million and Medicare Australia \$97.8 million.
5. Interest Bearing Liabilities for 2010-11 comprises: DHS \$0.9 million.
6. Total provisions of \$780.9 million for 2010-11 comprises: DHS \$115.0 million, Centrelink \$540.8 million and Medicare Australia \$125.1 million.
7. Parent Entity Interest of \$610.0 million for 2010-11 comprises: DHS \$117.2 million, Centrelink \$298.9 million and Medicare Australia \$193.9 million.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2011				
Balance carried forward from previous period	(19,848)	15,758	121,278	117,188
Adjustment for errors	6	-	-	6
Adjusted opening balance	(19,842)	15,758	121,278	117,194
Comprehensive income				
Surplus (deficit) for the period	(247,347)			(247,347)
Total comprehensive income	(247,347)	-	-	(247,347)
Transactions with owners				
<i>Distribution to owners</i>				
Returns of capital				
Other	-	-	(526)	(526)
<i>Contribution by owners</i>				
Appropriation (equity injection)			31,994	31,994
Departmental Capital Budget (DCB)			285,001	285,001
Restructuring ¹	-	-	492,826	492,826
Sub-total transactions with owners	-	-	809,295	809,295
Estimated closing balance as at 30 June 2012	(267,189)	15,758	930,573	679,142

Prepared on Australian Accounting Standards basis.

1. Restructuring includes net assets from Centrelink (\$298.9 million) and Medicare Australia (\$193.9 million) transferred to DHS on 1 July 2011 on enactment of the *Human Services Legislation Amendment Act 2011*.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period 30 June)

	Actual ¹ 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	504,280	369,777	308,890	309,271	272,580
Appropriations	4,032,661	4,253,720	3,919,606	3,890,635	3,801,971
Net GST received	112,681	134,971	115,405	113,457	125,108
Other	211	1,000	1,000	1,000	1,000
Total cash received ²	4,649,833	4,759,468	4,344,901	4,314,363	4,200,659
Cash used					
Employees	2,773,934	2,712,965	2,524,691	2,497,461	2,382,246
Suppliers	1,523,219	1,667,949	1,498,130	1,494,300	1,538,064
Cash to the Official Public Account	343,073	370,777	309,890	310,271	273,580
Other	375	219	219	219	219
Total cash used ³	4,640,601	4,751,910	4,332,930	4,302,251	4,194,109
Net cash from (used by) operating activities	9,232	7,558	11,971	12,112	6,550
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	40	-	-	-	-
Total cash received ⁴	40	-	-	-	-
Cash used					
Purchase of property, plant and equipment	286,769	361,133	152,929	115,987	198,922
Other	-	-	-	-	-
Total cash used ⁵	286,769	361,133	152,929	115,987	198,922
Net cash from or (used by) investing activities	(286,729)	(361,133)	(152,929)	(115,987)	(198,922)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	275,050	347,484	141,236	104,197	192,616
Total cash received ⁶	275,050	347,484	141,236	104,197	192,616
Cash used					
Finance Leases	3,007	-	-	-	-
Return of prior year appropriation	11,010	-	-	-	-
Total cash used ⁷	14,017	-	-	-	-
Net cash from or (used by) financing activities	261,033	347,484	141,236	104,197	192,616
Net increase or (decrease) in cash held	(16,464)	(6,091)	278	322	244
Cash and cash equivalents at the beginning of the reporting period	48,345	11,700	25,790	26,068	26,390
Asset/Liability Transfers	-	20,181	-	-	-
Adjusted opening Cash	48,345	31,881	25,790	26,068	26,390
Cash and cash equivalents at the end of the reporting period ⁸	31,881	25,790	26,068	26,390	26,634

Prepared on Australian Accounting Standards basis.

Agency Additional Estimates Statements – Department of Human Services

1. Numbers provided for 2010-11 show combined amounts for the Department of Human Services (DHS), Centrelink and Medicare Australia prior to integration.
2. Total operating cash received of \$4,649.8 million for 2010-11 comprises: DHS \$944.6 million, Centrelink \$2,955.5 million and Medicare Australia \$749.7 million.
3. Total operating cash used of \$4,640.6 million for 2010-11 comprises: DHS \$933.6 million, Centrelink \$2,957.2 million and Medicare Australia \$749.8 million.
4. Investing cash received of \$0.040 million for 2010-11 comprises: DHS \$0.021 million and Centrelink \$0.019 million.
5. Investing cash used of \$286.8 million for 2010-11 comprises: DHS \$24.8 million, Centrelink \$194.7 million and Medicare Australia \$67.3 million.
6. Total financing cash received of \$275.1 million for 2010-11 comprises: DHS \$19.0 million, Centrelink \$176.5 million and Medicare Australia \$79.6 million.
7. Total financing cash used of \$14.0 million for 2010-11 comprises: DHS \$3.0 million and Medicare Australia \$11.0 million.
8. Total cash and cash equivalents of \$31.9 million at the end of the reporting period for 2010-11 comprises: DHS \$11.7 million, Centrelink \$11.3 million and Medicare Australia \$8.9 million.

Table 3.2.5: Capital Budget Statement — Departmental

	Actual ¹	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	221,129	285,001	126,923	100,538	191,874
Equity injections - Bill 2	77,477	31,994	8,579	3,159	742
Total capital appropriations ²	298,606	316,995	135,502	103,697	192,616
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	289,055	316,995	135,502	103,697	192,616
Other Items	9,551	-	-	-	-
Total Items ²	298,606	316,995	135,502	103,697	192,616
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	44,628	62,039	9,313	3,159	742
Funded by capital appropriation - DCB ³	196,545	285,445	131,923	101,038	191,874
Funded by finance leases	524	-	-	-	-
Funded internally from departmental resources ⁴	26,473	13,649	11,693	11,790	6,306
TOTAL ⁵	268,170	361,133	152,929	115,987	198,922
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	268,170	361,133	152,929	115,987	198,922
plus Payables	22,180	-	-	-	-
less Gifted assets	(9)	-	-	-	-
less make good	(3,572)	-	-	-	-
Total cash used to acquire assets ⁶	286,769	361,133	152,929	115,987	198,922

Prepared on Australian Accounting Standards basis.

- Numbers provided for 2010-11 show combined amounts for the Department of Human Services (DHS), Centrelink and Medicare Australia prior to integration on 1 July 2011.
- Total capital appropriations and total items of \$298.6 million for 2010-11 comprises: DHS \$39.6 million; Centrelink \$206.0 million and Medicare Australia \$53.0 million.
- Does not include annual finance lease costs. Includes purchase from current and previous years Departmental Capital Budgets.
- Includes the following sources of funding:
 - annual and prior year appropriations;
 - gifts;
 - internally developed assets;
 - s31 relevant agency receipts; and
 - proceeds from the sale of assets.
- Total purchase of non-financial assets of \$268.2 million for 2010-11 comprises: DHS \$25.3 million; Centrelink \$173.0 million and Medicare Australia \$69.9 million.
- Total cash used to acquire assets of \$286.8 million for 2010-11 comprises: DHS \$24.8 million, Centrelink \$194.7 million and Medicare Australia \$67.3 million.

Table 3.2.6: Statement of Asset Movements (2011-12)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural assets \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011						
Gross book value	1,610	62,650	9,741	-	77,332	151,333
Accumulated depreciation/amortisation and impairment	-	(2,796)	(1,091)	-	(50,400)	(54,287)
Opening net book balance	1,610	59,854	8,650	-	26,932	97,046
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ¹	-	-	10,292	-	51,747	62,039
By purchase - appropriation ordinary annual services ²	-	101,267	67,754	-	116,424	285,445
By purchase - other	-	3,475	1,773	-	8,401	13,649
From acquisition of entities or operations (including restructuring) ³	4,829	310,351	108,004	93	303,719	726,996
Total additions	4,829	415,093	187,823	93	480,291	1,088,129
Other movements						
Depreciation/amortisation expense	-	(91,447)	(64,511)	-	(99,010)	(254,968)
Other	-	(500)	(1,000)	-	(3,000)	(4,500)
As at 30 June 2012						
Gross book value	6,439	524,019	228,583	93	942,282	1,701,416
Accumulated depreciation/amortisation and impairment	-	(141,019)	(97,621)	-	(537,069)	(775,709)
Closing net book balance	6,439	383,000	130,962	93	405,213	925,707

Prepared on Australian Accounting Standards basis.

1. "Appropriation equity" refers to equity injections provided through Appropriation Bills (No. 2 & 4) 2011-12.

2. "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No. 1 & 3) 2011-12 for Departmental Capital Budget.

3. "From acquisition of entities or operations (including restructuring)" refers to the net book value of Centrelink (\$558.3 million) and Medicare Australia (\$168.6 million) non-financial assets transferred to the Department of Human Services on 1 July 2011.

Schedule of administered activity

Administered income and expenses (Table 3.2.7)

Administered expenses have decreased by \$45.4 million since Budget due to changes in the net write down of receivables for the Child Support program.

Administered assets and liabilities (Table 3.2.8)

Receivables have decreased by \$60.8 million since Budget mainly due to revised estimates of income maintenance payable and penalties receivable under the Child Support program.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Non-taxation revenue					
Fees and fines	53,095	51,371	56,765	58,184	59,639
Dividends	5,765	3,591	4,876	5,648	5,874
Competitive Neutrality Revenue	8,794	6,759	7,820	8,533	8,866
Other	1,182,149	1,223,110	1,261,453	1,292,989	1,325,315
Total non-taxation revenue	1,249,803	1,284,831	1,330,914	1,365,354	1,399,694
Total revenues administered on behalf of government	1,249,803	1,284,831	1,330,914	1,365,354	1,399,694
Total income administered on behalf of government	1,249,803	1,284,831	1,330,914	1,365,354	1,399,694
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	2,376	6,766	6,798	6,831	1,855
Grants	-	1,000	9,000	8,000	7,000
Depreciation and amortisation	18	36	36	36	35
Write-down and impairment of assets	104,576	70,092	95,422	97,354	99,330
Other	1,121,923	1,209,692	1,202,520	1,243,855	1,275,402
Total expenses administered on behalf of government	1,228,893	1,287,586	1,313,776	1,356,076	1,383,622

Prepared on Australian Accounting Standards basis.

Table3.2.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	15	15	15	15	15
Receivables	592,567	594,763	609,971	626,097	642,703
Other investments	34,585	34,585	34,585	34,585	34,585
Total financial assets	627,167	629,363	644,571	660,697	677,303
Non-financial assets					
Property, plant and equipment	143	107	71	35	-
Total non-financial assets	143	107	71	35	-
Total assets administered on behalf of government	627,310	629,470	644,642	660,732	677,303
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers ¹	29,073	29,073	29,073	29,073	29,073
Other	15,886	15,886	15,886	15,886	15,886
Total payables	44,959	44,959	44,959	44,959	44,959
Provisions					
Other	574,937	592,096	596,236	611,751	628,105
Total provisions	574,937	592,096	596,236	611,751	628,105
Total liabilities administered on behalf of Government	619,896	637,055	641,195	656,710	673,064

Prepared on Australian Accounting Standards basis.

1. Includes Child Support and Income Management Card payables.

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

	Estimated actual 2010-11 \$'000	Budget estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
OPERATING ACTIVITIES					
Cash received					
Dividends	5,307	4,498	4,233	5,262	5,761
Competitive Neutrality	9,248	6,779	8,022	8,381	8,810
Net GST received	266	777	1,580	1,483	885
Other	1,177,914	1,201,266	1,208,029	1,238,231	1,269,187
Total cash received	1,192,735	1,213,320	1,221,864	1,253,357	1,284,643
Cash used					
Grant payments	-	1,100	9,900	8,800	7,700
Suppliers	2,744	7,443	7,478	7,514	2,040
Other	1,164,231	1,192,533	1,198,380	1,228,340	1,259,048
Total cash used	1,166,975	1,201,076	1,215,758	1,244,654	1,268,788
Net cash from (used by) operating activities	25,760	12,244	6,106	8,703	15,855
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	161	-	-	-	-
Total cash used	161	-	-	-	-
Net cash from (used by) investing activities	(161)	-	-	-	-
Net increase (decrease) in cash held	25,599	12,244	6,106	8,703	15,855
Cash and cash equivalents at beginning of reporting period	248	15	15	15	15
Cash from Official Public Account for:					
- Appropriations					
- Operating	88,112	93,389	95,850	96,884	92,459
- Non-Operating	267	-	-	-	-
- Special Accounts	1,078,759	1,106,910	1,118,328	1,146,287	1,175,444
- s30A drawdowns	-	777	1,580	1,483	885
	1,167,138	1,201,076	1,215,758	1,244,654	1,268,788
Cash to Official Public Account for:					
- Appropriations	85,244	85,623	80,052	82,053	84,105
- Administered Revenue	26,171	20,010	21,904	23,534	24,710
- Special Accounts	1,081,555	1,106,910	1,118,328	1,146,287	1,174,943
- s30A repayment	-	777	1,580	1,483	885
	1,192,970	1,213,320	1,221,864	1,253,357	1,284,643
Cash and cash equivalents at end of reporting period	15	15	15	15	15

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
CAPITAL APPROPRIATIONS					
Administered assets and liabilities - Bill 2	160	-	-	-	-
Total capital appropriations	160	-	-	-	-
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	160	-	-	-	-
Total Items	160	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	160	-	-	-	-
Funded internally from departmental resources ¹	1	-	-	-	-
TOTAL	161	-	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	161	-	-	-	-
Total cash used to acquire assets	161	-	-	-	-

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:
- annual and prior year appropriations.

Table 3.2.11: Statement of Administered Asset Movements (2011-12)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural assets \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2011						
Gross book value	-	-	161	-	-	161
Accumulated depreciation/amortisation and impairment	-	-	(18)	-	-	(18)
Opening net book balance	-	-	143	-	-	143
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity	-	-	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-	-	-
By purchase - other	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-
Total additions	-	-	-	-	-	-
Other movements						
Depreciation/amortisation expense	-	-	(36)	-	-	(36)
Other	-	-	-	-	-	-
As at 30 June 2012						
Gross book value	-	-	161	-	-	161
Accumulated depreciation/amortisation and impairment	-	-	(54)	-	-	(54)
Closing net book balance	-	-	107	-	-	107

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

Basis of accounting

The Budgeted Financial Statements have been prepared in accordance with:

- Finance Minister's Orders (FMOs); and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The Department's Budgeted Financial Statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets at fair value.

Unless alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the Department or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard.

The *Human Services Legislation Amendment Act 2011* was enacted on 1 July 2011 to support the Government's agenda for service delivery reform. The Act integrates Medicare Australia and Centrelink into the Department of Human Services.

As part of the integration process the net book value of assets and liabilities of Medicare Australia and Centrelink have been transferred to and reflected in the balances of the Department of Human Services for 2011-12.

Unless alternative treatment is specifically required by an Accounting Standard, revenues and expenses are recognised in the Comprehensive Income Statement when and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

The presentation of the Comprehensive Income Statement includes the "Reconciliation of operating result attributable to the agency" note, whereby the Department's net operating result is adjusted by unfunded depreciation and amortisation expense. This treatment is the result of the net cash arrangement that has been implemented as part of the Operation Sunlight reform agenda.

Departmental and Administered items

Departmental assets, liabilities, revenues and expenses are those items controlled by the Department that are used in producing outputs, and include:

- non-financial assets used in providing goods and services;
- liabilities for employee entitlements;
- revenue from appropriations or independent sources in payment for outputs; and
- employee, supplier and depreciation expenses incurred in providing departmental outputs.

Administered items are those items controlled by the Government and managed, or oversighted, by the Department on behalf of the Government.

GLOSSARY

Term	Meaning
Activities	The actions/functions performed by agencies to deliver government policies.
Actual Available Appropriation	The <i>Actual Available Appropriation</i> indicates the total appropriations available to the agency for 2010-11 as at the 2011-12 Budget. It includes all appropriations made available to the agency in the year (+/- section 32 transfers, formal reductions, Advance to the Finance Minister and movements of funds). It is to be the same as the comparator figure included in the Appropriation Bills, and as such provides a comparison with the appropriation proposed for the budget year.
Administered Item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the agency and any unspent appropriation is returned to the Consolidated Revenue Fund at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.
Agency	Generic term for Australian Government General Government Sector entities, including those governed by the <i>Financial Management and Accountability Act 1997</i> .
Appropriation	An amount of public money parliament authorises for spending (i.e. funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
Appropriations and Cash Management Module (ACM)	A module of the Central Budget Management System from which agencies draw down funds from the Consolidated Revenue Fund.
Budget Paper 1 (BP1)	Budget Strategy and Outlook. Provides information and analysis on whole of government expenditure and revenue.
Budget Paper 2 (BP2)	Budget Measures. Provides a description of each budget measure by portfolio.

Term	Meaning
Budget Paper 3 (BP3)	Australia's Federal Relations. Provides information and analysis on Federal funding provided to the States and Territories.
Budget Paper 4 (BP4)	Agency Resourcing. Details total resourcing available to agencies.
Central Budget Management System (CBMS)	CBMS is the Australian Government's central budget and financial management information system administered by the Department of Finance and Deregulation. It contains the Commonwealth program list and produces the Annual Appropriation Bills.
Clear Read Principle	Under the Outcomes arrangements there is an essential clear link between the Appropriation Bills, the Portfolio Budget Statements (PBS), the Portfolio Additional Estimates Statements (PAES), and annual reports of agencies. Information should be consistent across these and other budget documents, and where possible, duplication of reporting within the PBS should be avoided. This is called the "clear read" between the different documents. Under this Principle the planned performance in PBS is to be provided on the same basis as actual performance in the annual reports covering the same period, to permit a clear read across planning and actual performance reporting documents. Agencies should take this into account in designing their performance reporting arrangements.
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.
Departmental Item	Resources (assets, liabilities, revenues and expenses) that agency Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the agency. Examples of departmental items include agency running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.

Term	Meaning
Estimated Actual Expenses	Details of the current year's estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are not included within the calculation of an appropriation. Appropriation funding is not provided in respect of depreciation expense. Also no funding is required for goods or services received free of charge that are then expensed: e.g. ANAO audit services – the ANAO does not charge for audit services however the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament.
Financial Management and Accountability Act 1997 (<i>FMA Act</i>)	The <i>FMA Act</i> sets out the financial management, accountability and audit obligations of agencies (including Departments) that are financially part of the Commonwealth (and form part of the General Government Sector). A list of <i>FMA Act</i> agencies can be found at: finance.gov.au/financial-framework/fma-legislation/docs/FMA-Agencies-List.pdf
Forward Estimates Period	The three years following the budget year. For example if 2011-12 is the budget year, 2012-13 is forward year 1, 2013-14 is forward year 2 and 2014-15 is forward year 3. This period does not include the current or budget year.
General Government Sector (GGS)	A Government Finance Statistics' classification of all entities that are controlled and largely funded by the Commonwealth Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies.
Intended Result	Intended result is a key part of an outcome statement and describes the goal or objective of an agency. The intended result is typically distilled from the Government's economic, social, health or environmental policy goals.

Term	Meaning
Measure	A new policy or savings decision of the government with financial impacts on the government's: underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO).
Official Public Account (OPA)	The OPA is the government's central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund.
Outcome	An outcome is the intended result, consequence or impact of Government actions on the Australian community.
Outcome Statement	An outcome statement articulates the intended results, activities and target group of an Australian Government agency. An outcome statement serves three main purposes within the financial framework: 1. to explain and control the purposes for which annual appropriations are approved by the Parliament for use by agencies; 2. to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and 3. to measure and assess agency and program (non-financial) performance in contributing to Government policy objectives.
Output	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs include goods and services produced for other areas of government external to the agency.
Portfolio Budget Statements (PBS)	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each agency within a portfolio.
Portfolio Additional Estimates Statements (PAES)	Budget related paper detailing the changes in resourcing by outcome(s) since the Budget which provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

Term	Meaning
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program Support	The agency running costs allocated to a program. This is funded as part of the agency's departmental appropriations.
s31	Section 31 of the <i>FMA Act 1997</i> .
Target Group	A specific group being targeted for assistance by government policy.
Transfer	Cash paid to recipients of the applicable program. This includes welfare payments and tax rebates.

