

**BUDGET**

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**2014** - **15**

Portfolio Budget Statements 2014-15

Budget Related Paper No. 1.4B

Defence Portfolio

(Department of Veterans' Affairs)

Budget Initiatives and Explanations Of

Appropriations Specified by Outcomes

and Programmes by agency

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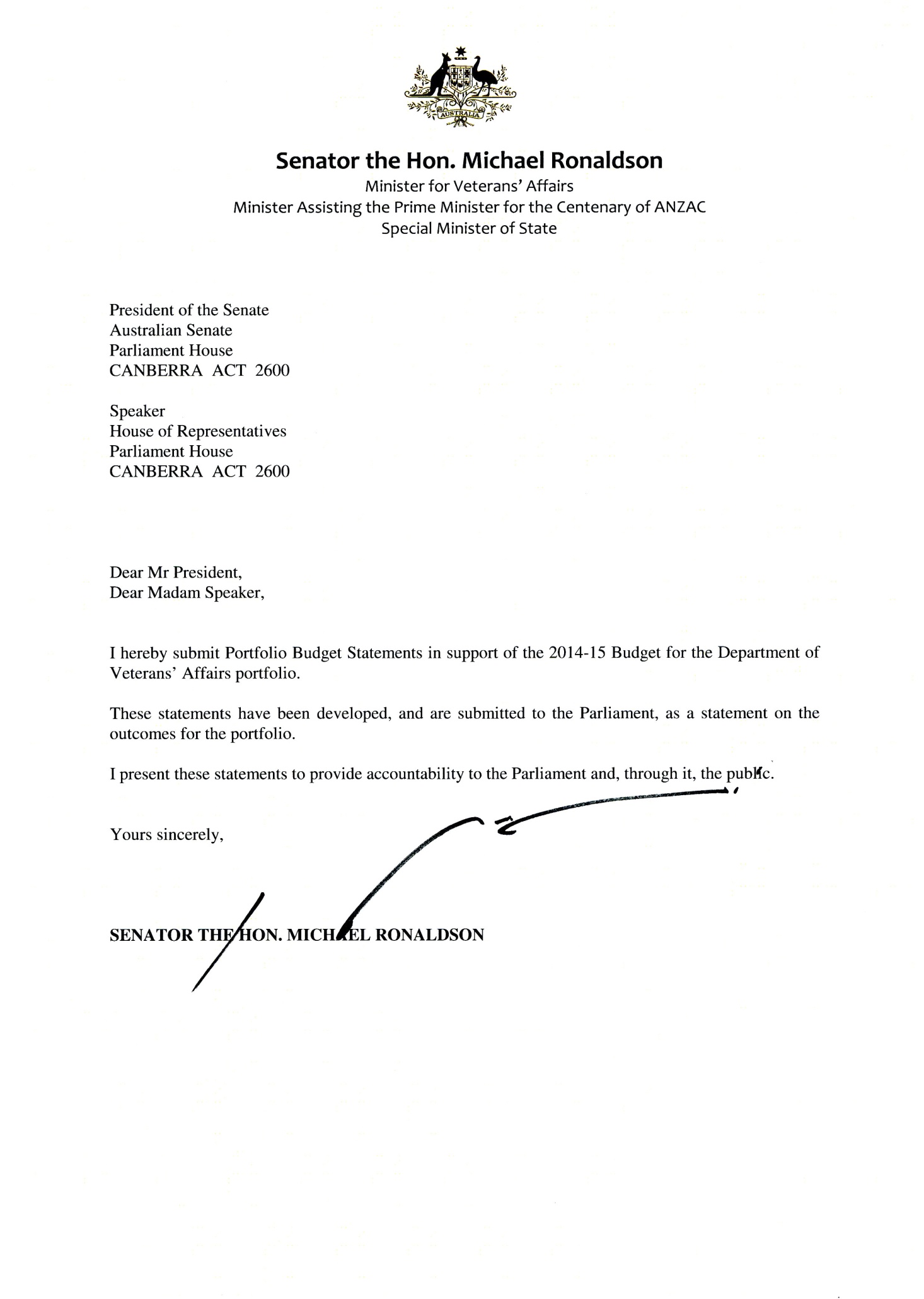


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#### Abbreviations and conventions

The following notation 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nfp not for publication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

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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 2014-15 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 2014-15 (or Appropriation Bill [Parliamentary Departments] No. 1 2014-15 for the parliamentary departments). 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.

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### Minister and Portfolio Responsibilities

The Department of Veterans' Affairs and several other legal entities that are administered by the Minister for Veterans’ Affairs are formally part of the Defence Portfolio. The schedule to the annual Appropriation Acts refers to the Veterans’ Affairs Portfolio and lists both the Department of Veterans' Affairs and the Australian War Memorial as receiving monies appropriated from the Consolidated Revenue Fund. The other entities in the Veterans’ Affairs Portfolio receive their funding under agreements with the Department of Veterans' Affairs, as their administrative staff are employees of the Department. These entities include:

* the Repatriation Commission
* the Military Rehabilitation and Compensation Commission
* the Veterans’ Review Board
* the Veterans’ Children Education Boards
* the Office of Australian War Graves
* the Repatriation Medical Authority
* the Specialist Medical Review Council

The Veterans’ Affairs Portfolio is responsible for carrying out government policy and implementing programs to fulfil Australia’s obligations to veterans and war widow/ers, serving and former members of the Australian Defence Force, certain Australian Federal Police officers with overseas service and Australian participants in British nuclear tests in Australia, and their dependants.

The entities within the Veterans’ Affairs Portfolio are described in more detail below. Figure 1 on page 7 shows the portfolio structure and outcomes.

### The Department of Veterans' Affairs

The Australian Government serves the needs of the veteran and defence force communities through a number of bodies that make up the Veterans’ Affairs portfolio.

The Department of Veterans’ Affairs (DVA) is the primary service delivery agency responsible for developing and implementing programs that assist the veteran and defence force communities. It provides administrative support to the Repatriation Commission and the Military Rehabilitation and Compensation Commission and is responsible for advising the Commissions on policies and programs for beneficiaries and administering these policies and programs. DVA also administers legislation such as the *Defence Service Homes Act 1918* and the *War Graves Act 1980,* and conducts commemorative programs to acknowledge the service and sacrifice of Australian servicemen and women.

The Department is located in all capital cities and has Veterans’ Access Network offices in regional areas. The Department delivers services to veterans and their families living in rural and remote areas through agency arrangements to deliver DVA information and services where the Department has no permanent local presence.

The Repatriation Commission

The Repatriation Commission is responsible under the *Veterans’ Entitlements Act 1986* (VEA)for granting pensions, allowances and other benefits, providing treatment and other services and generally administering the VEA.

The functions and powers of the Repatriation Commission are set out in sections 180 and 181 of the VEA.

Military Rehabilitation and Compensation Commission

The Military Rehabilitation and Compensation Commission (MRCC) is responsible for the administration of benefits and arrangements under the *Military Rehabilitation and Compensation Act 2004* (MRCA). The Commission also determines and manages claims relating to defence service under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA).

The functions of the MRCC are set out in section 362 of the MRCA and Schedule 2 of the *Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Act 2004* in relation to the SRCA.

Under the direction of these Commissions, DVA provides wide-ranging programs and services that can be broadly grouped into three main areas: care, compensation and commemoration.

The Veterans’ Review Board

The Veterans’ Review Board (VRB) is an independent tribunal that reviews certain decisions of the Repatriation Commission and decisions made under the *Military Rehabilitation and Compensation Act 2004* (MRCA). The Board was established by the *Repatriation Legislation Amendment Act 1984* and began operating on 1 January 1985. The *Veterans’ Entitlements Act 1986* preserves the continuing role of the VRB, as does the MRCA.

The Veterans’ Children Education Boards

The Veterans’ Children Education Board in each state is responsible to the Repatriation Commission and the Military Rehabilitation and Compensation Commission for the administration of the Veterans’ Children Education Scheme and Military Rehabilitation and Compensation Act Education and Training Scheme in each state and territory.

Office of Australian War Graves

The Office of Australian War Graves (OAWG) commemorates Australian service personnel who have died in or as a result of war. The OAWG maintains individual graves and memorials, war cemeteries and Gardens of Remembrance. The OAWG maintains existing national memorials overseas and constructs new memorials as determined by government processes.

The Repatriation Medical Authority

The Repatriation Medical Authority (RMA) is an independent statutory authority established under section 196A of the *Veterans’ Entitlements Act 1986* (VEA). Its role is to determine statements of principles in relation to medical or scientific evidence connecting injuries, diseases or death with the circumstances of a particular veteran’s service. Its membership comprises five eminent medical-scientific experts.

The Specialist Medical Review Council

The Specialist Medical Review Council (SMRC) is an independent statutory body established under section 196V of the VEA. It has power, under section 196W of the VEA, to review determinations by the RMA. It does not review individual cases, but rather, examines the evidence upon which the decisions of the RMA are based. Members of SMRC are eminent medical practitioners and medical scientists whose names are put forward by their professional colleges.

The Australian War Memorial

The Australian War Memorial (AWM) was established as a body corporate under the *Australian War Memorial Act 1980*. It operates within the Veterans’ Affairs Portfolio as a discrete agency.

The AWM is responsible for maintaining and developing the national memorial to Australians who have died in wars or warlike operations. It also develops, maintains and exhibits a national collection of historical material, and conducts and fosters research into Australian military history.

Figure 1: Department of Veterans' Affairs portfolio structure and outcomes

**Department of Veterans’ Affairs**

**Secretary: Simon Lewis PSM**

*Outcome 1*: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.

*Outcome 2*: Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.

*Outcome 3*: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations.

**Australian War Memorial**

**Director: The Hon. Dr Brendan Nelson**

*Outcome 1*: Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the National Memorial, its collection and exhibition of historical material, commemorative ceremonies and research.

Minister

**Senator the Hon. Michael Ronaldson**

Minister for Veterans’ Affairs

Minister Assisting the Prime Minister for the Centenary of Anzac

Special Minister of State

Portfolio resources

Table 1 shows the total new resources provided to the portfolio in the 2014-15

budget year, by agency.

Table 1: Portfolio Resources 2014-15

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Appropriation | | | Receipts | Total |
|  | Bill No. 1 | Bill No. 2 | Special |  |  |
|  | $m | $m | $m | $m | $m |
| **Department of Veterans' Affairs** |  |  |  |  |  |
| Administered appropriations | 102.5 | 6.1 | 11,869.6 | - | 11,978.2 |
| Departmental appropriations | 296.8 | 2.6 | - | 57.3 | 356.7 |
| **Total:** | **399.3** | **8.7** | **11,869.6** | **57.3** | **12,334.9** |
|  |  |  |  |  |  |
| **Australian War Memorial** |  |  |  |  |  |
| Departmental appropriations | 47.8 | 12.4 | - | 11.3 | 71.5 |
| **Total:** | **47.8** | **12.4** | **-** | **11.3** | **71.5** |
|  |  |  |  |  |  |
| **Portfolio Total** | **447.1** | **21.1** | **11,869.6** | **68.6** | **12,406.4** |

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Planned Performance

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Department of Veterans’

Affairs

Agency Resources and Planned Performance

Ia

Department of Veterans' Affairs

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DVA

Department of Veterans' Affairs

## Section 1: Agency Overview and Resources

1.1 Strategic Direction Statement

For more than 95 years, the Department of Veterans’ Affairs (DVA) has supported the men and women who serve or have served in defence of our nation and commemorated their service and sacrifice.

With a world leading repatriation system, DVA provides a range of programmes and financial entitlements to support the health and wellbeing of Australia’s veterans, current serving men and women, war widows and widowers, dependants and eligible members of the Australian Federal Police.

The Government has a four-pillared approach for veterans’ affairs, which include:

* recognition of the unique nature of military service;
* retention of a stand-alone Department of Veterans’ Affairs;
* tackling Mental Health Challenges for veterans and their families; and
* supporting veterans through adequate advocacy and welfare services.

The Department’s vision is to be a responsive and flexible organisation, efficiently delivering high quality, connected services to all generations of veterans and the wider veteran community.

Focusing on early intervention, DVA is dedicated to helping clients, particularly contemporary veterans, to access vital support as early as possible to help with rehabilitation and recovery.

The Department recognises that its client base is unique and crosses the age spectrum – from those in their later years of life such as widows of First World War veterans, to infants of contemporary service men and women.

The challenge facing DVA is to continue to be responsive to the needs of all veterans, regardless of their age, and their families, through client-focused service delivery systems.

During this Budget year, 2014-15, DVA will deliver a range of initiatives that respond to this challenge, including:

* tackling the mental health challenges for veterans and their families;
* implementing aged care reforms alongside the Department of Social Services;
* developing a client-focused service delivery strategy that will provide a cohesive and national approach;
* investing in building a robust evidence base through collaborative research particularly with the Department of Defence;
* investing in the capability of the Department’s resources – staff and systems;
* continuing to expand online services available to the veteran community and to providers of services to the veteran community;
* restoring $1 million of funding per year over the forward estimates of Building Excellence in Support and Training (BEST) funding; and
* delivering a significant commemorative programme across the Anzac Centenary.

The Department’s strategic plan, *DVA Towards 2020*, provides a flexible and modern approach to developing and delivering programmes for the veteran community, while also maintaining services for the older veterans.

Addressing the timeliness of processing claims from the veteran community, the Department has developed a four-part action plan. The strategies in this plan are:

* reducing work on hand;
* improving client communication and engagement;
* improving case management practices; and
* reviewing and improving business processes.

DVA will continue to focus on mental health support for the veteran community as a priority. The Government provides around $166 million a year in funding for a comprehensive service system that stands ready to meet the mental health needs of the veteran and ex-service community, including the drawdown from Afghanistan. This system includes funding for online mental health information and support, GP services, psychologist and social work services, specialist psychiatric services, pharmaceuticals, posttraumatic stress disorder programmes, and in-patient and out-patient hospital treatment.

DVA will provide support for the new Prime Ministerial Advisory Council with a focus on veteran mental health. The new Council will advise the Government on how we can continue to build on our current support and address the mental health needs of the veteran and ex-service community. DVA will also support the implementation of the *Veteran Mental Health Strategy 2013-2023* and the 2013 budget package *Mental health services - expansion*, worth $26.4 million over four years.

In conjunction with the Department of Defence, DVA will implement the final recommendations accepted by Government in its response to the Review of Military Compensation Arrangements.

In 2014-15, the Anzac Centenary commences. The Department is responsible for managing the coordination and implementation of the Government’s multi-faceted Anzac Centenary Programme. The Centenary has two related themes. First, marking 100 years since Australia’s involvement in the First World War. Second, providing the opportunity to honour, better understand and reflect upon the service and sacrifice of our servicemen and women, past and present, in all wars, conflicts, peacekeeping and other deployments in which Australians have been involved. This also includes recognition of the contribution of those on the home front.

The Department will also continue to enhance the way veterans and their dependants communicate with the Department through improved channels and online services, providing clients with more choice and convenience.

Importantly, DVA will continue to engage with the ex-service and veteran community, to ensure services remain client focussed, responsive and connected.

1.2 Agency Resource Statement

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

Table 1.1: Department of Veterans' Affairs Resource Statement – Budget

Estimates for 2014-15 as at Budget May 2014

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2014-15 |  | 2014-15 |  | 2014-15 | 2013-14 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Ordinary annual services1** | | |  |  |  |  |  |  |  |
| **Departmental appropriation** | | |  |  |  |  |  |  |  |
|  | Prior year departmental appropriation2 | |  | 11,689 |  | - |  | 11,689 | - |
|  | Departmental appropriation3 | |  | - |  | 296,775 |  | 296,775 | 303,378 |
|  | s31 Relevant agency receipts4 | |  | - |  | 10,881 |  | 10,881 | 10,276 |
|  | **Total** | |  | **11,689** |  | **307,656** |  | **319,345** | **313,654** |
|  |  |  |  |  |  |  |  |  |  |
| **Administered expenses** | | |  |  |  |  |  |  |  |
|  | Outcome 18 | |  | - |  | 40,895 |  | 40,895 | 39,419 |
|  | Outcome 28 | |  | - |  | 7,279 |  | 7,279 | 7,415 |
|  | Outcome 38 | |  | - |  | 54,336 |  | 54,336 | 52,213 |
|  | Payments to CAC Act bodies | |  | - |  | 47,808 |  | 47,808 | 40,900 |
|  | **Total** | |  | - |  | **150,318** |  | **150,318** | **139,947** |
| **Total ordinary annual services** | | | **A** | **11,689** |  | **457,974** |  | **469,663** | **453,601** |
| **Other services5** | | |  |  |  |  |  |  |  |
| **Administered expenses** | | |  |  |  |  |  |  |  |
|  | **Administered non-operating** | |  |  |  |  |  |  |  |
|  |  | Payments to CAC Act bodies |  |  |  |  |  |  |  |
|  |  | - non-operating |  | - |  | 12,444 |  | 12,444 | 25,258 |
|  | **Total** | |  | **-** |  | **12,444** |  | **12,444** | **25,258** |
|  |  |  |  |  |  |  |  |  |  |
| **Departmental non-operating** | | |  |  |  |  |  |  |  |
|  | Equity injections5 | |  | - |  | 2,617 |  | 2,617 | 13,606 |
|  | **Total** | |  | **-** |  | **2,617** |  | **2,617** | **13,606** |
|  |  |  |  |  |  |  |  |  |  |
| **Administered non-operating** | | |  |  |  |  |  |  |  |
|  | Equity injections5 | |  | - |  | 6,061 |  | 6,061 | - |
|  | **Total** | |  | **-** |  | **6,061** |  | **6,061** | **-** |
| **Total other services** | | | **B** | **-** |  | **21,122** |  | **21,122** | **38,864** |
| **Total available annual** | | |  |  |  |  |  |  |  |
|  | **appropriations** | |  | **11,689** |  | **479,096** |  | **490,785** | **492,465** |
|  |  |  |  |  |  |  |  | Continued on next page | |

Table 1.1: Department of Veterans' Affairs Resource Statement – Budget

Estimates for 2014-15 as at Budget May 2014 (continued)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Special appropriations** | | |  |  |  |  |  |  |  |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2014-15 |  | 2014-15 |  | 2014-15 | 2013-14 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Special appropriations limited** | | |  |  |  |  |  |  |  |
|  |  | **by criteria/entitlement** |  |  |  |  |  |  |  |
|  |  | **Outcome 1** |  |  |  |  |  |  |  |
|  |  | *Papua New Guinea (Members of the Forces Benefits) Act 1957* |  | - |  | 70 |  | 70 | 70 |
|  |  | *Veterans' Entitlements Act 1986 (VEA)* |  | - |  | 6,111,121 |  | 6,111,121 | 6,221,374 |
|  |  | *Defence Service Homes Act 1918* |  | - |  | 1,459 |  | 1,459 | 1,747 |
|  |  | *Safety, Rehabilitation and Compensation Act 1988* |  | - |  | 143,109 |  | 143,109 | 150,603 |
|  |  | *Military Rehabilitation and Compensation Act 2004* |  | - |  | 213,999 |  | 213,999 | 214,458 |
|  |  | **Total Outcome 1** |  | **-** |  | **6,469,758** |  | **6,469,758** | **6,588,252** |
|  |  | **Outcome 2** |  |  |  |  |  |  |  |
|  |  | *Veterans' Entitlements Act 1986 (VEA)* |  | - |  | 5,325,138 |  | 5,325,138 | 5,305,957 |
|  |  | *Safety, Rehabilitation and Compensation Act 1988* |  | - |  | 39,799 |  | 39,799 | 40,183 |
|  |  | *Military Rehabilitation and Compensation Act 2004* |  | - |  | 34,451 |  | 34,451 | 31,050 |
|  |  | *Australian Participants in British Nuclear Tests (Treatment) Act 2006* |  | - |  | 421 |  | 421 | 420 |
|  |  | **Total Outcome 2** |  | **-** |  | **5,399,809** |  | **5,399,809** | **5,377,610** |
| **Total special appropriations** | | | **C** | **-** |  | **11,869,567** |  | **11,869,567** | **11,965,862** |
| **Total appropriations excluding** | | |  |  |  |  |  |  |  |
|  | **Special Accounts** | |  | **11,689** |  | **12,348,663** |  | **12,360,352** | **12,458,327** |
|  |  |  |  |  |  |  |  | Continued on next page | |

Table 1.1: Department of Veterans' Affairs Resource Statement – Budget

Estimates for 2014-15 as at Budget May 2014 (continued)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2014-15 |  | 2014-15 |  | 2014-15 | 2013-14 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Special Accounts** | | |  |  |  |  |  |  |  |
|  |  | Opening balance6 |  | 1,094 |  | - |  | 1,094 | 1,875 |
|  |  | Appropriation receipts7 |  | - |  | 320 |  | 320 | 120 |
|  |  | Non-appropriation receipts to |  |  |  |  |  |  |  |
|  |  | Special Accounts |  | - |  | 46,370 |  | 46,370 | 43,780 |
| **Total Special Accounts** | | | **D** | **1,094** |  | **46,690** |  | **47,784** | **45,775** |
| **Total resourcing** | | |  | **12,783** |  | **12,395,353** |  | **12,408,136** | **12,504,102** |
| A+B+C+D | | |  |  |  |  |  |  |  |
| Less appropriations drawn from | | |  |  |  |  |  |  |  |
| annual or special appropriations above | | |  |  |  |  |  |  |  |
| and credited to Special Accounts | | |  |  |  |  |  |  |  |
| and/or CAC Act bodies through | | |  |  |  |  |  |  |  |
| annual appropriations | | |  | - |  | 60,572 |  | 60,572 | 66,278 |
| **Total net resourcing for DVA** | | |  | **12,783** |  | **12,334,781** |  | **12,347,564** | **12,437,824** |

1. Appropriation Bill (No. 1) 2014-15.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of $13.5 million in 2014-15 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributed by owners'.
4. Section 31 Relevant Agency receipts – estimate.
5. Appropriation Bill (No. 2) 2014-15.
6. Estimated opening balance for special accounts (less ‘Special Public Money’ held in a Services for Other Entities and Trust Moneys Special accounts (SOETM)). For further information on special accounts see Table 3.1.2.
7. Appropriation receipts from annual appropriations for 2014-15 included above.
8. Includes reductions to 2013-14 annual estimates subsequent to 2013-14 PBS.

Reader note: All figures are GST exclusive.

Continued on next page

Table 1.1: Department of Veterans' Affairs Resource Statement – Budget

Estimates for 2014-15 as at Budget May 2014 (continued)

Third Party Payments from and on behalf of other agencies

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **2014-15** | **2013-14** |
|  |  | $'000 | $'000 |
| Receipts received from the Department of Defence for the provision of | |  |  |
|  | services (disclosed above within Departmental s31) | 6,645 | 6,260 |
| Payments made to CAC Act bodies within the Portfolio | |  |  |
|  | Australian War Memorial - Bill 1 | 47,808 | 40,900 |
|  | Australian War Memorial - Bill 2 | 12,444 | 25,258 |
| Payments made on behalf of Department of Social Services | |  |  |
|  | *Social Security (Administration) Act 1999* | 56,402 | 55,786 |
| Payments made on behalf of Department of Social Services | |  |  |
|  | *A New Tax System (Family Assistance) (Administration) Act 1999* | 1,248 | 1,217 |
| Payments made on behalf of Department of Social Services | |  |  |
|  | for the provision of services | 196 | 195 |
| Payments made by the Department of Human Services (DHS) on behalf of DVA | |  |  |
|  | *Veterans' Entitlements Act 1986,* | 4,016,709 | 3,958,265 |
|  | *Military Rehabilitation and Compensation Act 2004, and* | 22,367 | 19,957 |
|  | *Australian Participants in British Nuclear Tests (Treatment) Act 2006* | 421 | 420 |
| Payments made to DHS for processing payment of health care provider | |  |  |
|  | treatment accounts and the provision of IT services. | 32,982 | 39,194 |

1.3 Budget Measures

Budget measures relating to the Department of Veterans' Affairs are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Programme | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Expense Measures** | |  |  |  |  |  |  |
| **Outcome 1** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Veterans' Incapacity Payments - review by medical specialist after 12 months | | 1.6 |  |  |  |  |  |
|  | Administered expenses |  | - | (805) | (2,930) | (4,908) | (6,232) |
|  | Departmental expenses |  | - | 674 | 640 | 441 | 445 |
| **Total** | |  | **-** | **(131)** | **(2,290)** | **(4,467)** | **(5,787)** |
|  |  |  |  |  |  |  |  |
| Smaller Government - Defence Service Homes Insurance Scheme - independent scoping study | | 1.4 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | 200 | - | - | - |
| **Total** | |  | **-** | **200** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Veterans' Disability Pensions - commencement of payments from date of claim | | 1.1, 1.2 |  |  |  |  |  |
|  | Administered expenses |  | - | (5,795) | (11,541) | (11,389) | (11,242) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(5,795)** | **(11,541)** | **(11,389)** | **(11,242)** |
|  |  |  |  |  |  |  |  |
| Department of Veterans' Affairs Enhanced Compliance Programme - additional reviews | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (4,061) | (10,430) | (13,600) | (13,978) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(4,061)** | **(10,430)** | **(13,600)** | **(13,978)** |
|  |  |  |  |  |  |  |  |
| Commonwealth Seniors Health Card - annual indexation of income thresholds1 | | 1.2 |  |  |  |  |  |
|  | Administered expenses |  | - | 192 | 335 | 491 | 645 |
|  | Departmental expenses |  | - | 85 | 51 | 67 | 83 |
| **Total** | |  | **-** | **277** | **386** | **558** | **728** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Programme | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| Cease Indexation of the Clean Energy Supplement1 | | 1.1, 1.2 |  |  |  |  |  |
|  | Administered expenses | 1.3, 1.5 | - | (2,812) | (5,157) | (7,301) | (9,205) |
|  | Departmental expenses | 1.6 | - | - | - | - | - |
|  | **Total** |  | **-** | **(2,812)** | **(5,157)** | **(7,301)** | **(9,205)** |
|  |  |  |  |  |  |  |  |
| Housing Help for Seniors - pilot - reversal1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (1,107) | (2,182) | (3,189) | (3,061) |
|  | Departmental expenses |  | (676) | (420) | (403) | (404) | (47) |
| **Total** | |  | **(676)** | **(1,527)** | **(2,585)** | **(3,593)** | **(3,108)** |
|  |  |  |  |  |  |  |  |
| Cessation of the Seniors Supplement - Commonwealth Seniors Health Card holders1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (25,052) | (23,903) | (22,879) | (21,797) |
|  | Departmental expenses |  | - | 117 | - | - | - |
| **Total** | |  | **-** | **(24,935)** | **(23,903)** | **(22,879)** | **(21,797)** |
|  |  |  |  |  |  |  |  |
| Maintain eligibility thresholds for Australian Government payments for three years1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | (4,890) |
|  | Departmental expenses |  | - | - | - | - | 205 |
| **Total** | |  | **-** | **-** | **-** | **-** | **(4,685)** |
|  |  |  |  |  |  |  |  |
| Reset the Assets Test Deeming Rate Thresholds1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | (4,709) |
|  | Departmental expenses |  | - | - | - | - | 77 |
| **Total** | |  | **-** | **-** | **-** | **-** | **(4,632)** |
|  |  |  |  |  |  |  |  |
| Index Pension and Pension Equivalent Payments by the Consumer Price Index1 | | 1.1,1.2 |  |  |  |  |  |
|  | Administered expenses | 1.3 | - | - | - | - | (65,050) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **-** | **-** | **(65,050)** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Programme | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| Commonwealth Seniors Health Card - include untaxed superannuation income in the eligibility assessment1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (3) | (60) | (90) | (125) |
|  | Departmental expenses |  | - | 88 | - | - | - |
| **Total** | |  | **-** | **85** | **(60)** | **(90)** | **(125)** |
|  |  |  |  |  |  |  |  |
| Building Excellence in Support and Training - additional funding1 | | 1.4 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | 1,000 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **-** | **-** | **1,000** |
|  |  |  |  |  |  |  |  |
| **Total Outcome 1** | |  |  |  |  |  |  |
|  | Administered |  | - | (39,443) | (55,868) | (62,865) | (138,644) |
|  | Departmental |  | (676) | 744 | 288 | 104 | 763 |
|  | **Total** |  | **(676)** | **(38,699)** | **(55,580)** | **(62,761)** | **(137,881)** |
|  |  |  |  |  |  |  |  |
| **Outcome 2** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Dental and Allied Health Provider Fees - defer and align indexation | | 2.1, 2.5 |  |  |  |  |  |
|  | Administered expenses |  | - | (4,429) | (9,433) | (9,035) | (12,830) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(4,429)** | **(9,433)** | **(9,035)** | **(12,830)** |
|  |  |  |  |  |  |  |  |
| Aged Care Payroll Tax Supplement - cessation 1 | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | - | (12,162) | (25,742) | (26,914) | (28,492) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(12,162)** | **(25,742)** | **(26,914)** | **(28,492)** |
|  |  |  |  |  |  |  |  |
| Reprioritising the Aged Care Workforce Supplement1 | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | (10,816) | 14,581 | (312) | (10,466) | (12,016) |
|  | Departmental expenses |  | - | (358) | (21) | - | - |
| **Total** | |  | **(10,816)** | **14,223** | **(333)** | **(10,466)** | **(12,016)** |
|  |  |  |  |  |  |  |  |
| Personally Controlled Electronic Health Record System - continuation2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | 104 | - | - | - |
| **Total** | |  | **-** | **104** | **-** | **-** | **-** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Programme | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Full implementation of National Bowel Cancer Screening Programme2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | 37 | 172 | 255 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **37** | **172** | **255** |
|  |  |  |  |  |  |  |  |
| Pausing indexation of some Medicare Benefits Schedule fees and the Medicare Levy Surcharge and Private Health Insurance Rebate thresholds2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (10,191) | (16,029) | (16,832) | (23,519) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(10,191)** | **(16,029)** | **(16,832)** | **(23,519)** |
|  |  |  |  |  |  |  |  |
| Pharmaceutical Benefits Scheme - new and amended listings2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | 132 | 2,185 | 2,445 | 2,691 | 3,027 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **132** | **2,185** | **2,445** | **2,691** | **3,027** |
|  |  |  |  |  |  |  |  |
| Pharmaceutical Benefits Scheme - price amendments2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | 14 | 52 | 42 | 42 | 42 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **14** | **52** | **42** | **42** | **42** |
|  |  |  |  |  |  |  |  |
| Medicare Benefits Schedule - new and amended listings2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | 768 | 1,478 | 1,744 | 2,210 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **768** | **1,478** | **1,744** | **2,210** |
|  |  |  |  |  |  |  |  |
| Medicare Benefits Schedule - Revised Capital Sensitivity Provisions for Diagnostic Imaging Equipment2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | 2 | 4 | 4 | 4 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **2** | **4** | **4** | **4** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Programme | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Pharmaceutical Benefits Scheme - increase in co-payments and safety net thresholds2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | - | (1,925) | (4,448) | (4,183) | (4,171) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **(1,925)** | **(4,448)** | **(4,183)** | **(4,171)** |
| Medicare Benefits Schedule - comprehensive eye examination2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | - | 472 | 1,318 | 867 | 718 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **472** | **1,318** | **867** | **718** |
|  |  |  |  |  |  |  |  |
| Repatriation Pharmaceutical Benefits Scheme - new listings and price amendments | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | 8 | (44) | (140) | (296) | (445) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **8** | **(44)** | **(140)** | **(296)** | **(445)** |
|  |  |  |  |  |  |  |  |
| **Total Outcome 2** | |  |  |  |  |  |  |
|  | Administered |  | (10,662) | (10,691) | (50,780) | (62,206) | (75,217) |
|  | Departmental |  | - | (254) | (21) | - | - |
|  | **Total** |  | **(10,662)** | **(10,945)** | **(50,801)** | **(62,206)** | **(75,217)** |
| **Outcome 3** | |  |  |  |  |  |  |
| Western Front Interpretive Centre - Villers-Bretonneux, France - initial funding | | 3.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | 831 | - | - | - |
| **Total** | |  | **-** | **831** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total Outcome 3** | |  |  |  |  |  |  |
|  | Administered |  | - | - | - | - | - |
|  | Departmental |  | - | 831 | - | - | - |
|  | **Total** |  | **-** | **831** | **-** | **-** | **-** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2014-15 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Programme | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Efficiency Dividend - a further temporary increase of 0.25 per cent | | All |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | (723) | (1,403) | (2,084) | (2,095) |
|  | **Total** |  | **-** | **(723)** | **(1,403)** | **(2,084)** | **(2,095)** |
|  |  |  |  |  |  |  |  |
| **Total Expense Measures** | |  |  |  |  |  |  |
|  | Administered |  | (10,662) | (50,134) | (106,648) | (125,071) | (213,861) |
|  | Departmental |  | (676) | 598 | (1,136) | (1,980) | (1,332) |
|  | **Total** |  | **(11,338)** | **(49,536)** | **(107,784)** | **(127,051)** | **(215,193)** |
|  |  |  |  |  |  |  |  |
| **Capital Measures** | |  |  |  |  |  |  |
| Western Front Interpretive Centre - Villers-Bretonneux, France - initial funding | | 3.1 |  |  |  |  |  |
|  | Administered Capital |  | - | 6,061 | - | - | - |
| **Total** | |  | **-** | **6,061** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Housing Help for Seniors - pilot - reversal1 | | 1.1 |  |  |  |  |  |
|  | Departmental Capital |  | (1,522) | - | - | - | - |
| **Total** | |  | **(1,522)** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Commonwealth Seniors Health Card - include untaxed superannuation income in the eligibility assessment1 | | 1.1 |  |  |  |  |  |
|  | Departmental Capital |  | - | 548 | - | - | - |
| **Total** | |  | **-** | **548** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Efficiency Dividend - a further temporary increase of 0.25 per cent | | All |  |  |  |  |  |
|  | Departmental Capital |  | - | (35) | (69) | (103) | (108) |
| **Total** | |  | **-** | **(35)** | **(69)** | **(103)** | **(108)** |
|  |  |  |  |  |  |  |  |
| **Total capital measures** | |  |  |  |  |  |  |
|  | Administered |  | - | 6,061 | - | - | - |
|  | Departmental |  | (1,522) | 513 | (69) | (103) | (108) |
|  |  | **Total** | **(1,522)** | **6,574** | **(69)** | **(103)** | **(108)** |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | | |  |  |

1. The lead agency for this measure is the Department Social Services (DSS). The full measure description and package details appear in BP 2 under the DSS portfolio.
2. The lead agency for this measure is the Department of Health (DoH). The full measure description and package details appear in BP 2 under the DoH portfolio.

Section 2: Outcomes and Planned Performance

2.1 Outcomes and Performance Information

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of Department of Veterans' Affairs in achieving Government outcomes.

Outcome 1

|  |
| --- |
| Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements. |

Outcome 1 Strategy

* Increase awareness and understanding of compensation, rehabilitation and income support schemes among veterans, war widow/ers, serving members, former defence force members, and their families and advocates.
* Assist eligible persons and their dependants to receive their correct entitlements through effective advice and efficient claims determinations and review.
* Integrate rehabilitation as a key consideration in compensation policy and decision making.
* Engage younger veterans and Australian Defence Force members in policy development and review.
* Ensure that the changing needs of eligible veterans, especially those with complex needs or severe disabilities, are addressed.
* Continue access to home loan and insurance services for eligible members of the veteran and defence force communities and undertake a scoping study of the insurance scheme that provides information to assist considerations relating to the future operations and management of the scheme.
* In conjunction with the Department of Defence, continue to implement the recommendations accepted by Government in its response to the Review of Military Compensation Arrangements.
* In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 1 Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by programme.

Table 2.1: Budgeted Expenses for Outcome 1

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1**: Maintain and enhance the financial wellbeing and self sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements. | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 1.1: Veterans' Income Support and Allowances** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 2,784,598 | 2,709,533 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 48,313 | 47,212 |
|  | Expenses not requiring appropriation in the Budget year2 | 4,950 | 5,561 |
|  | **Total for Programme 1.1** | **2,837,861** | **2,762,306** |
|  |  |  |  |
| **Programme 1.2: Veterans' Disability Support** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 12,092 | 13,039 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,573,707 | 1,574,429 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 38,685 | 38,041 |
|  | Expenses not requiring appropriation in the Budget year2 | 4,088 | 4,592 |
|  | **Total for Programme 1.2** | **1,628,572** | **1,630,101** |
|  |  | Continued on next page | |

Table 2.1: Budgeted Expenses for Outcome 1 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1:** | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 1.3: Assistance to Defence Widow/ers and Dependants** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,845,971 | 1,811,869 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 10,523 | 10,323 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,116 | 1,254 |
|  | **Total for Programme 1.3** | **1,857,610** | **1,823,446** |
|  |  |  |  |
| **Programme 1.4: Assistance and Other Compensation for Veterans and Dependants** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 7,398 | 8,034 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 22,832 | 20,195 |
| Departmental Expenses | |  |  |
|  | Special Accounts3 | 34,248 | 36,757 |
|  | Departmental appropriation1 | 18,338 | 18,675 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,060 | 1,190 |
|  | **Total for Programme 1.4** | **83,876** | **84,851** |
|  |  |  |  |
| **Programme 1.5: Veterans' Children Education Scheme** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 15,954 | 15,634 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 2,515 | 2,468 |
|  | Expenses not requiring appropriation in the Budget year2 | 309 | 347 |
|  | **Total for Programme 1.5** | **18,778** | **18,449** |
|  |  | Continued on next page | |

Table 2.1: Budgeted Expenses for Outcome 1 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1:** | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 3,954 | 4,168 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 365,045 | 357,101 |
|  | Special Accounts | 780 | 215 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 30,577 | 30,761 |
|  | Expenses not requiring appropriation in the Budget year2 | 3,173 | 3,565 |
|  | **Total for Programme 1.6** | **403,529** | **395,810** |
| **Programme 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Expenses not requiring appropriation in the Budget year | 77,900 | 133,800 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | - | - |
|  | Expenses not requiring appropriation in the Budget year2 | - | - |
|  | **Total for Programme 1.7** | **77,900** | **133,800** |
|  |  |  |  |
| **Outcome 1 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 39,398 | 40,875 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 6,592,153 | 6,473,127 |
|  | Special Accounts | 780 | 215 |
|  | Expenses not requiring appropriation in the Budget year | 77,900 | 133,800 |
| Departmental Expenses | |  |  |
|  | Special Accounts | 34,248 | 36,757 |
|  | Departmental appropriation1 | 148,951 | 147,480 |
|  | Expenses not requiring appropriation in the Budget year2 | 14,696 | 16,509 |
| **Total Expenses for Outcome 1** | | **6,908,126** | **6,848,763** |
|  |  | 2013-14 | 2014-15 |
| **Average Staffing Level (number)** | | 988 | 960 |

1. Departmental Appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s31)’.

2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.

3. DSHIS expenses (Section 3, Table 3.1.2 and Table 3.2.1c refers).

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

Contributions to Outcome 1

|  |
| --- |
| **Programme 1.1: Veterans' Income Support and Allowances** |
|  |
| **Programme 1.1 objective**  To deliver means tested income support pensions and other allowances to eligible veterans and dependants under the *Veterans’ Entitlements Act 1986* and related legislation, including:   * Service Pension (Age) and Invalidity Service Pension, similar to Age and Disability Support pensions paid by Department of Human Services * Partner Service Pension paid to eligible partners of veterans * Income Support Supplement paid to eligible war widow/ers   Other forms of income support paid to eligible veterans, members and former members of the Defence Force or Peacekeeping Force, include:   * Social Security Age Pension paid to eligible disability pensioners and their partners, paid by DVA as an agent of Department of Social Services. * Defence Force Income Support Allowance   Income support payments provide a regular source of income for eligible veterans, partners, widow/ers, and other eligible people with limited means. |
| **Linked to:**  This programme is linked to the Department of Social Services Program 1.6 – Income Support for Seniors, Programme 1.7 – Allowances, Concessions, Programme 2.1 – Housing Assistance and Homelessness Prevention, and Services for Seniors and Department of Human Services Programme 1.1 – Services to the Community – Social Security and Welfare. |
|  |
| **Programme 1.1 expenses**  As the veteran population continues to age, programme expenses are expected to fall in real terms over the forward years. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Income support pensions | 2,752,487 | 2,703,397 | 2,629,824 | 2,547,316 | 2,435,514 |
|  |  | Other allowances | 32,111 | 6,136 | 6,502 | 6,755 | 7,084 |
|  | Programme support | | 48,313 | 47,212 | 45,112 | 43,615 | 44,857 |
|  | Expenses not requiring appropriation in the Budget year1 | | 4,950 | 5,561 | 5,078 | 4,632 | 3,879 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **2,837,861** | **2,762,306** | **2,686,516** | **2,602,318** | **2,491,334** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.1: Veterans' Income Support and Allowances** **(continued)** | | | | | | |
|  | | | | | | |
| **Programme 1.1 deliverables**  Process claims and reviews in order to deliver means tested income support pensions, allowances and other services to veterans and their dependants.  This programme has been revised to include claims for qualifying service and the resultant card claims: Commonwealth Seniors Health Card (CSHC); Repatriation Health Card — For all Conditions (Gold Card) and Repatriation Pharmaceutical Benefits Card (Orange Card). While claims for qualifying service may not lead to immediate payment of pension or allowances, entitlement for possible future benefits is established. CSHC holders and those Gold Card holders who are age qualified are entitled to Seniors Supplement (if not already receiving Pension Supplement), whereas the remainder of Gold Card holders and all Orange Card holders receive Veterans Supplement. | | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| New claims processed | 9,303 | 9,280 | 8,820 | 8,560 | 8,130 |
| Pensioner initiated reviews processed | 83,683 | 80,960 | 74,580 | 76,000 | 70,000 |
| *Quantity:* Number of income support beneficiaries | 220,700 | 207,400 | 194,500 | 182,100 | 170,500 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.1 key performance indicators**  The following KPIs measure the impact of the Programme: | | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Timeliness: Mean time to process new claims (days)* | 32 | 32 | 32 | 32 | 32 |
| *Timeliness: Mean time to process pensioner initiated reviews (days)* | 14 | 14 | 14 | 14 | 14 |
| *Price: Cost per income support beneficiary* | 219 | 228 | 232 | 240 | 263 |
| *Quality: Critical error rate for income support processing* | <5% | <5% | <5% | <5% | <5% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.2: Veterans' Disability Support** | | | | | | | | |
|  | | | | | | | | |
| **Programme 1.2 objective**  To deliver disability pensions, allowances and special purpose assistance to eligible veterans and members of the Defence Force or Peacekeeping Force under the *Veterans’ Entitlements Act 1986* and related legislation.  The programme provides compensation to eligible veterans (including Australian merchant mariners) and members of the Defence Force or Peacekeeping Force for the tangible effects of war or defence service. Eligible persons receive disability pensions and ancillary benefits. | | | | | | | | |
| **Linked to:**  Department of Human Services Programme 1.1 – Services to the Community – Social Security and Welfare. | | | | | | | | |
|  | | | | | | | | |
| **Programme 1.2 expenses**  Numbers of disability pensioners are expected to reduce by approximately 5% per year over the forward years. | | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual Administered Expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Medical examinations, fares and expenses | 11,302 | 12,247 | 13,169 | 14,159 | 14,587 |
|  |  | Repayments of maintenance deductions | 71 | 71 | 71 | 71 | 71 |
|  |  | Vehicle Assistance Scheme | 719 | 721 | 722 | 722 | 740 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Disability pensions | 1,571,080 | 1,572,055 | 1,563,657 | 1,559,296 | 1,539,125 |
|  |  | Loss of earnings | 503 | 527 | 555 | 582 | 597 |
|  |  | Recreation transport allowance | 2,124 | 1,847 | 1,608 | 1,402 | 1,437 |
| Programme support | | | 38,685 | 38,041 | 36,959 | 35,833 | 36,324 |
| Expenses not requiring appropriation in the Budget year1 | | | 4,088 | 4,592 | 4,193 | 3,824 | 3,202 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **1,628,572** | **1,630,101** | **1,620,934** | **1,615,889** | **1,596,083** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 1.2: Veterans' Disability Support (continued)** | | | | | |
|  | | | | | |
| **Programme 1.2 deliverables**  Deliver disability pensions to veterans under the *Veterans’ Entitlements Act 1986* and related legislation:   * Process new disability pension claims * Process applications for assessments of disability pension rates * Process Loss of Earnings and Recreation Allowance * Process and pay repayments of medical transport and maintenance deductions * Deliver Vehicle Assistance Scheme. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of disability pensioners | 100,700 | 96,200 | 92,100 | 88,400 | 85,200 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 1.2 key performance indicators**   * The following KPIs measure the impact of the Programme: | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Timeliness Target:* Mean number of days to process a primary claim | 75 | 75 | 75 | 75 | 75 |
| *Timeliness Target:* Mean number of days to prepare s.31 review | 40 | 40 | 40 | 40 | 40 |
| *Price:* Average cost per disability pensioner | 384 | 395 | 401 | 405 | 426 |
| *Quality*: Critical errors | <5% | <5% | <5% | <5% | <5% |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.3: Assistance to Defence Widow/ers and Dependants** | | | | | | | |
|  | | | | | | | |
| **Programme 1.3 objective**  Deliver war widow/ers and Defence pensions, allowances and special purpose assistance to the dependants of veterans under the *Veterans’ Entitlements Act 1986* and related legislation including the payment of war widow/ers claims for compensation. | | | | | | | |
| **Linked to:**  Department of Human Services Programme 1.1 – Services to the Community – Social Security and Welfare. | | | | | | | |
|  | | | | | | | |
| **Programme 1.3 expenses**  Numbers of War and Defence widow/ers are expected to show an increasing rate of decline over the forward years. Expenses are expected to reduce as the War and Defence widow/ers population reduces in size. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | War & Defence Widow/ers pension | 1,845,971 | 1,811,869 | 1,744,259 | 1,651,407 | 1,539,065 |
| Programme support | | | 10,523 | 10,323 | 10,038 | 9,726 | 9,857 |
| Expenses not requiring appropriation in the Budget year1 | | | 1,116 | 1,254 | 1,145 | 1,044 | 874 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **1,857,610** | **1,823,446** | **1,755,442** | **1,662,177** | **1,549,796** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |
| --- |
| **Programme 1.3: Assistance to Defence Widow/ers and Dependants (continued)** |
|  |
| **Programme 1.3 deliverables**  Process claims and pay pensions, allowances and other support to war and Defence widow/ers under the *Veterans’ Entitlements Act 1986* and related legislation. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of war and Defence widows/ers pensioners | 81,300 | 75,600 | 69,700 | 64,000 | 58,300 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.3 key performance indicators**  The following KPIs measure the impact of the Programme: | | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Timeliness:* Mean number of days to process a primary claim | 75 | 75 | 75 | 75 | 75 |
| *Timeliness:* Mean number of days to prepare s.31 review | 40 | 40 | 40 | 40 | 40 |
| *Price:* Cost per war widow/ers pensioner $/beneficiary | 129 | 137 | 144 | 152 | 169 |
| *Quality*: Critical errors | < 5% | < 5% | < 5% | < 5% | < 5% |

|  |
| --- |
| **Programme 1.4: Assistance and Other Compensation for Veterans and Dependants** |
|  |
| **Programme 1.4 objective**  To deliver other allowances and assistance to eligible veterans and dependants under the *Veterans’ Entitlements Act 1986* and related legislation including home support loans, funeral benefits, prisoner of war ex gratia payments and payments on behalf of Commonwealth and allied countries. The Department also provides assistance to the Ex-Service Organisations (ESO) community through Building Excellence in Support and Training (BEST) grants and funding the Training and Information Program (TIP). |
| **Linked to:**  Department of Human Services Programme 1.1 – Services to the Community – Social Security and Welfare. |
|  |
| **Programme 1.4 expenses**  This programme is projected to move broadly in line with the forecast of the total veteran population. Benchmark interest rates for Defence home loans will vary depending on movement in interest rates.  Forward year Defence home loans projections are based on:   * 6.44% as the anticipated benchmark interest rate * portfolio balances reduce by an average 1.56% per month * home support loans continuing to be granted at the rate of 8 per month * balances of home support loans are at a stable level. |

|  |
| --- |
| **Programme 1.4: Assistance and Other Compensation for Veterans and Dependants (continued)** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.4 expenses** | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Legal Expenses | 1,848 | 1,597 | 1,590 | 1,620 | 1,653 |
|  |  | Defective Administration | 350 | 250 | 250 | 250 | 250 |
|  |  | Payments to ESOs (BEST & TIP) | 4,014 | 5,002 | 5,008 | 5,103 | 5,115 |
|  |  | Veterans' Access to Community Information | 1,108 | 1,107 | 1,103 | 1,123 | 1,147 |
|  |  | Act of Grace | 78 | 78 | 78 | 80 | 82 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Funeral benefits | 12,430 | 11,674 | 10,965 | 10,299 | 9,673 |
|  |  | POW (J) | 25 | 25 | 25 | 25 | 25 |
|  |  | POW (E) | 7,628 | 6,102 | 4,881 | 3,905 | 3,124 |
|  |  | Compensation payments for BCAL veterans | 932 | 865 | 792 | 728 | 671 |
|  | *Papua New Guinea (Members of the Forces Benefits) Act 1957* | |  |  |  |  |  |
|  |  | PNG pensions | 70 | 70 | 70 | 70 | 70 |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  | *Defence Service Homes Act 1918* | |  |  |  |  |  |
|  |  | Interest subsidy | 1,747 | 1,459 | 1,225 | 1,035 | 845 |
| Special Account expenses: | | |  |  |  |  |  |
|  |  | DSHIS | 34,248 | 36,757 | 39,452 | 42,343 | 45,447 |
| Programme support | | | 18,338 | 18,675 | 18,204 | 17,882 | 17,765 |
| Expenses not requiring appropriation in the Budget year1 | | | 1,060 | 1,190 | 1,087 | 991 | 830 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **83,876** | **84,851** | **84,730** | **85,454** | **86,697** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.4: Assistance and Other Compensation for Veterans and Dependants (continued)** | | | | | | |
|  | | | | | | |
| **Programme 1.4 deliverables**   * Process funeral benefit claims * Process claims for and maintain housing loans * Provide grants funding to eligible ESOs for provision of services to support the veteran community * Provide ESO representatives with essential skills for pension and compensation claims and welfare work | | | | | | |
|  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  | Revised | Budget | Forward | Forward | Forward |
| Deliverables |  | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |  |
| Funeral Benefits expenditure $'000 |  | 12,430 | 11,674 | 10,965 | 10,299 | 9,673 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.4 key performance indicators**   * The following KPIs measure the impact of the Programme: | | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| ***Funeral Benefits*** |  |  |  |  |  |
|  |  |  |  |  |  |
| *Timeliness:* Mean time to process funeral benefits claims (days) | 10 | 10 | 10 | 10 | 10 |
|  |  |  |  |  |  |
| *Quality*: Critical errors | < 5% | < 5% | < 5% | < 5% | <5% |
|  |  |  |  |  |  |
| ***Defence Home Loans*** |  |  |  |  |  |
|  |  |  |  |  |  |
| *Timeliness:* Mean time to process subsidy | 18 | 18 | 18 | 18 | 18 |
| *Quality:* Critical errors | < 5% | < 5% | < 5% | < 5% | <5% |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.5: Veterans' Children Education Scheme** | | | | | | | |
|  | | | | | | | |
| **Programme 1.5 objective**  Provide financial assistance to eligible students under the *Veterans’ Entitlements Act 1986* Veterans’ Children Education Scheme (VCES) and the *Military Rehabilitation and Compensation Act 2004* Education and Training Scheme (MRCAETS) to assist with their education needs. | | | | | | | |
| **Linked to:**  Department of Human Services Programme 1.1 – Services to the Community – Social Security and Welfare. | | | | | | | |
|  | | | | | | | |
| **Programme 1.5 expenses**  Numbers of students in each category fluctuate throughout the course of the academic year. Overall, numbers are expected to decline over the forward years. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | *Appropriation Bill 1* | |  |  |  |  |  |
|  |  | Veterans' Children Education Scheme | 15,954 | 15,634 | 15,443 | 15,660 | 16,237 |
| Programme support | | | 2,515 | 2,468 | 2,400 | 2,319 | 2,350 |
| Expenses not requiring appropriation in the Budget year1 | | | 309 | 347 | 317 | 289 | 242 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **18,778** | **18,449** | **18,160** | **18,268** | **18,829** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 1.5 deliverables**  Process new claims under VCES and MRCAETS. Deliver financial assistance and allowances to eligible students | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of primary students receiving assistance | 672 | 628 | 587 | 549 | 513 |
|  |  |  |  |  |  |
| *Quantity:* Number of secondary students receiving assistance | 991 | 926 | 866 | 810 | 757 |
| *Quantity:* Number of tertiary students receiving assistance | 961 | 898 | 840 | 785 | 734 |
|  |  |  |  |  |  |
| **Programme 1.5 key performance indicators**  The following KPI measures the impact of the Programme: | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quality*: Critical errors | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation** | | | | | | | | |
|  | | | | | | | | |
| **Programme 1.6 objective**  To provide compensation to current and former members of the Australian Defence Force and their dependants under the *Safety, Rehabilitation and Compensation Act 1988* and the *Military Rehabilitation and Compensation Act 2004* and related legislation. | | | | | | | | |
|  | | | | | | | | |
| **Programme 1.6 expenses**  Future budget results are anticipated to reflect a shift from SRCA–related payments to MRCA–related payments. SRCA payments are in line with the pre July 2004 liabilities as they stabilise. | | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Other income support and compensation-related payments - SRCA | 2,832 | 2,843 | 2,722 | 2,723 | 2,790 |
|  |  | Other income support and compensation-related payments - MRCA | 1,122 | 1,325 | 1,458 | 1,604 | 1,645 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Permanent impairment | 40,184 | 37,085 | 34,304 | 31,700 | 32,492 |
|  |  | Benefits for eligible dependants | 20,970 | 20,331 | 19,326 | 18,318 | 18,867 |
|  |  | Incapacity payments | 82,499 | 78,830 | 70,012 | 64,319 | 61,765 |
|  |  | Medical examinations | 3,812 | 3,797 | 3,394 | 3,398 | 3,404 |
|  |  | Death payments | 2,782 | 2,721 | 2,590 | 2,464 | 2,542 |
|  |  | Other income support and compensation-related payments | 340 | 340 | 339 | 339 | 348 |
|  | *Military Rehabilitation and Compensation Act 2004* | |  |  |  |  |  |
|  |  | Permanent impairment | 119,778 | 124,168 | 135,076 | 146,795 | 150,422 |
|  |  | Benefits for eligible dependants | 7,875 | 8,273 | 8,614 | 8,879 | 9,163 |
|  |  | Income maintenance payments | 77,678 | 72,102 | 80,780 | 90,677 | 93,098 |
|  |  | Medical examinations | 9,090 | 9,417 | 8,811 | 9,102 | 9,232 |
|  |  | Other income support and compensation-related payments | 37 | 37 | 37 | 37 | 38 |
| Special Account Expenses: | | |  |  |  |  |  |
|  |  | Military death claim compensation | 780 | 215 | 270 | 235 | 581 |
| Programme support | | | 30,577 | 30,761 | 30,076 | 29,072 | 29,420 |
| Expenses not requiring appropriation in the Budget year1 | | | 3,173 | 3,565 | 3,255 | 2,969 | 2,486 |
| **Total programme expenses** | | | **403,529** | **395,810** | **401,064** | **412,631** | **418,293** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation (continued)** | | | | | |
|  | | | | | |
| **Programme 1.6 deliverables**   * Provide incapacity payments, non-economic loss lump sums/pensions for injuries resulting in permanent disability and payments to dependants of deceased employees under the MRCA and SRCA. * Administer individual merit reviews for MRCA and SRCA decisions. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Quantity: Number of incapacity payees under the SRCA | 2,290 | 2,230 | 2,170 | 2,110 | 2,050 |
|  |  |  |  |  |  |
| Quantity: Number of claims resulting in lump sum payments made under SRCA | 1,126 | 1,090 | 1,156 | 1,023 | 991 |
|  |  |  |  |  |  |
| Quantity: Number of incapacity payees under the MRCA | 2,900 | 3,770 | 4,902 | 6,372 | 8,284 |
|  |  |  |  |  |  |
| Quantity: Number of claims resulting in lump sum payments made under MRCA | 1,166 | 1,440 | 1,779 | 2,197 | 2,714 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 1.6 key performance indicators**   * The following KPIs measure the impact of the Programme: | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quality:* Critical errors under SRCA | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Timeliness Target:* Mean number of days to determine a liability under the SRCA | 120 | 120 | 120 | 120 | 120 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| *Quality:* Critical errors under MRCA | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Timeliness Target:* Mean number of days to determine a liability under the MRCA | 120 | 120 | 120 | 120 | 120 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation** | | | | | | | |
|  | | | | | | | |
| **Programme 1.7 objective**  To provide an updated actuarial assessment of the movement in the liability for income support and compensation under the rehabilitation and compensation Acts. | | | | | | | |
|  | | | | | | | |
| **Programme 1.7 expenses**  The movement in the liability provision for SRCA and MRCA is adjusted based on an annual actuarial assessment from the Australian Government Actuary.  The figures below represent the estimated net movement based on the actuarial report. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | Budget |  | year 1 | year 2 | year 3 |
| Administered Expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
| Expenses not requiring appropriation in the Budget year1 | | | 77,900 | 133,800 | 139,400 | 156,700 | 156,700 |
| **Total programme expenses** | | | **77,900** | **133,800** | **139,400** | **156,700** | **156,700** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

Outcome 2

|  |
| --- |
| Outcome 2: Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements. |

Outcome 2 Strategy

* Ensure continued access to high-quality health care and rehabilitation services, in partnership with public and private providers.
* Focus on tackling the mental health challenges of veterans and their families.
* Continue implementing the Strengthening Veteran Mental Health 2013 budget measures to improve access to mental health services, strengthen mental health support for veterans, and improve claims processing.
* Promote rehabilitation as a priority for veterans and former members.
* Maintain and develop services targeted to the needs of an ageing veteran population to support a level of independence.
* Continue research to support the health and wellbeing of members and their families.
* In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 2 Expense Statement

Table 2.2 provides an overview of the total expenses for Outcome 2, by programme.

**Table 2.2: Budgeted Expenses for Outcome 2**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 2:** Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements. | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 2.1: General Medical Consultations and Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 902,116 | 879,218 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 23,665 | 23,435 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,428 | 2,713 |
|  | **Total for Programme 2.1** | **928,209** | **905,366** |
|  |  |  |  |
| **Programme 2.2: Veterans' Hospital Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,647,650 | 1,612,246 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 11,424 | 11,318 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,475 | 1,648 |
|  | **Total for Programme 2.2** | **1,660,549** | **1,625,212** |
|  |  |  |  |
| **Programme 2.3: Veterans' Pharmaceuticals Benefits** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 406,200 | 389,835 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 1,561 | 1,547 |
|  | Expenses not requiring appropriation in the Budget year2 | 145 | 162 |
|  | **Total for Programme 2.3** | **407,906** | **391,544** |
|  |  | Continued on next page | |

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 2:** | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 2.4: Veterans' Community Care and Support** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 2,668 | 2,629 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,612,056 | 1,757,774 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 26,831 | 26,220 |
|  | Expenses not requiring appropriation in the Budget year2 | 3,240 | 3,620 |
|  | **Total for Programme 2.4** | **1,644,795** | **1,790,243** |
|  |  |  |  |
| **Programme 2.5: Veterans' Counselling and Other Health Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 4,288 | 4,650 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 634,833 | 648,061 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 44,167 | 42,630 |
|  | Expenses not requiring appropriation in the Budget year2 | 3,464 | 3,871 |
|  | **Total for Programme 2.5** | **686,752** | **699,212** |
|  |  |  |  |
| **Programme 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 71,223 | 74,240 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 19,835 | 19,645 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,141 | 2,393 |
|  | **Total for Programme 2.6** | **93,199** | **96,278** |
|  |  | Continued on next page | |

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 2:** | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Expenses not requiring appropriation in the Budget year | 32,600 | 57,400 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | - | - |
|  | Expenses not requiring appropriation in the Budget year2 | - | - |
|  | **Total for Programme 2.7** | **32,600** | **57,400** |
|  |  |  |  |
| **Outcome 2 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 6,956 | 7,279 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 5,274,078 | 5,361,374 |
|  | Special Accounts | - | - |
|  | Expenses not requiring appropriation in the Budget year | 32,600 | 57,400 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 127,483 | 124,795 |
|  | Expenses not requiring appropriation in the Budget year2 | 12,893 | 14,407 |
| **Total expenses for Outcome 2** | | **5,454,010** | **5,565,255** |
|  |  | 2013-14 | 2014-15 |
| **Average Staffing Level (number)**3 | | 778 | 756 |
|  |  |  |  |

1. Departmental Appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s31)’.

2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.

3. ASL figures do not include 62 VVCS counsellors paid from Administered funds.

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

Contributions to Outcome 2

|  |
| --- |
| **Programme 2.1: General Medical Consultations and Services** |
|  |
| **Programme 2.1 objective**  Provide access to general and specialist medical and dental services to entitled DVA beneficiaries. |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme 1.2 – Services to the Community – Health and the Department of Health’s Programme 8.1 – Workforce and Rural Distribution. |
|  |
| **Programme 2.1 expenses**  Overall expenditure for general and specialist medical consultations and dental consultations is expected to decline. This is attributed to the continuing decrease in the treatment population and the impact of Budget measures.  The majority of payments to medical providers are made through arrangements with the Department of Human Services (DHS) on behalf of DVA.  Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | LMO consultations | 158,234 | 156,057 | 153,547 | 150,674 | 149,159 |
|  |  | Specialist consultations | 157,200 | 148,640 | 144,081 | 144,143 | 139,755 |
|  |  | Medical services | 482,259 | 471,947 | 462,019 | 450,283 | 443,769 |
|  |  | Dental | 104,423 | 102,574 | 100,456 | 100,258 | 99,571 |
| Programme support | | | 23,665 | 23,435 | 23,075 | 22,674 | 22,739 |
| Expenses not requiring appropriation in the Budget year1 | | | 2,428 | 2,713 | 2,502 | 2,310 | 1,927 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **928,209** | **905,366** | **885,680** | **870,342** | **856,920** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |
| --- |
| **Programme 2.1: General Medical Consultations and Services (continued)** |
|  |
| **Programme 2.1 deliverables**   * Ensure entitled beneficiaries have access to general and specialist medical and dental services by maintaining servicing arrangements with these practitioner groups. * Ensure a geographically diverse range of providers participate in the arrangements for provision of general and specialist medical and dental services to entitled beneficiaries. * Ensure a comprehensive range of general and specialist medical and dental services are available to entitled beneficiaries in order to meet their health care needs. * Facilitate effective payment of medical practitioners under the Department of Veterans’ Affairs arrangements. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 215,900 | 204,000 | 192,900 | 182,500 | 172,900 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.1 key performance indicators**   * Ensure arrangements are in place for the access to and delivery of general and specialist medical services for all DVA beneficiaries. * Maintain a schedule of general and specialist medical services to meet the health care needs of entitled beneficiaries and maintain consistency with trends in the delivery of health care services. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 110 | 115 | 120 | 124 | 132 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.2: Veterans' Hospital Services** | | | | | | | |
|  | | | | | | | |
| **Programme 2.2 objective**  Provide access to hospital services for entitled beneficiaries through arrangements with hospitals in both the private and public sectors. | | | | | | | |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme 1.2 – Services to the Community – Health. | | | | | | | |
|  | | | | | | | |
| **Programme 2.2 expenses**  Costs for hospital services are remaining fairly stable as the ageing population accesses more services, and as fees for hospital services increase in line with changes in contract rates for the provision of hospital services. The increasing costs incurred in this programme are offset by the decreasing treatment population.  Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Public hospitals | 768,511 | 745,596 | 745,665 | 759,484 | 776,036 |
|  |  | Private hospitals | 874,770 | 862,495 | 848,724 | 835,993 | 838,276 |
|  |  | Psych | 1 | 1 | 1 | 1 | 1 |
|  |  | Nursing homes (POW) | 4,368 | 4,154 | 3,943 | 3,747 | 3,614 |
| Programme support | | | 11,424 | 11,318 | 11,145 | 10,905 | 10,938 |
| Expenses not requiring appropriation in the Budget year1 | | | 1,475 | 1,648 | 1,520 | 1,403 | 1,171 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **1,660,549** | **1,625,212** | **1,610,998** | **1,611,533** | **1,630,036** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.2: Veterans' Hospital Services (continued)** | | | | | |
|  | | | | | |
| **Programme 2.2 deliverables**   * Ensure access to hospital services for entitled beneficiaries through arrangements in both the private and public sectors. * Ensure a comprehensive range of hospital services are made available to entitled beneficiaries in order to meet health care needs. * Facilitate effective payment of hospital providers under the Department of Veterans’ Affairs arrangements. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 215,900 | 204,000 | 192,900 | 182,500 | 172,900 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.2 key performance indicators**   * Ensure that arrangements are in place for the access to and delivery of private and public hospital services under the VEA and related legislation. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price*: Unit cost per cardholder | 53 | 55 | 58 | 60 | 63 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.3: Veterans' Pharmaceuticals Benefits** | | | | | | | | |
|  | | | | | | | | |
| **Programme 2.3 objective**  The Repatriation Pharmaceutical Benefits Scheme (RPBS) will provide entitled beneficiaries access to a comprehensive array of pharmaceuticals and wound dressings for the treatment of their health care needs. | | | | | | | | |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme1.2 – Services to the Community – Health. | | | | | | | | |
|  | | | | | | | | |
| **Programme 2.3 expenses**  Expenditure in pharmaceuticals is expected to decline as a result of a reduction in the treatment population and the number of items dispensed under the RPBS. In addition to this, the reduction of prices on certain medicines listed on the PBS through the price disclosure arrangements has a flow on effect for DVA.  Payments to pharmacy providers are made through arrangements with the Department of Human Services (DHS) on behalf of DVA.  Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries. | | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Pharmaceutical services | 406,200 | 389,835 | 368,316 | 376,295 | 390,299 |
| Programme support | | | 1,561 | 1,547 | 1,521 | 1,498 | 1,504 |
| Expenses not requiring appropriation in the Budget year1 | | | 145 | 162 | 149 | 138 | 115 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **407,906** | **391,544** | **369,986** | **377,931** | **391,918** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.3 deliverables**   * Ensure entitled beneficiaries have access to a comprehensive range of pharmaceuticals and wound dressings that meet their health care needs. * Facilitate arrangements with pharmaceutical sponsors for the listing of the range of items appropriate to the entitled beneficiary population. * Facilitate effective payment of approved pharmacies for supplying items under the RPBS. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 215,900 | 204,000 | 192,900 | 182,500 | 172,900 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.3: Veterans' Pharmaceuticals Benefits (continued)** | | | | | |
|  | | | | | |
| **Programme 2.3 key performance indicators**   * Ensure arrangements are in place for the access to and delivery of pharmacy services under the VEA and related legislation. * Maintain a comprehensive Repatriation Pharmaceutical Benefits Schedule that meets the health care needs of entitled beneficiaries and maintains consistency with trends in the delivery of health care services. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 7 | 8 | 8 | 8 | 9 |
|  |  |  |  |  |  |

|  |
| --- |
| **Programme 2.4: Veterans' Community Care and Support** |
|  |
| **Programme 2.4 objective**  The programme’s primary objective is to effectively manage community support and residential care programmes, including development and review of policy and operational guidelines and procedures, and assessment of programme effectiveness.  Veteran community care and support programmes include the Veterans’ Home Care programme and the Community Nursing programme.   The programme also provides the Australian Government subsidy for entitled veterans and war widow/ers living in residential care facilities.  The objectives of the Veterans’ Home Care and Community Nursing programmes are to support veterans to remain independent in their homes, and improve their quality of life and health. The veteran community is ageing and increasingly requires higher levels of service. The provision of these services helps to delay entry into residential aged care and maximises independence.  The Australian Government provides subsidies and supplements for veterans who are no longer able to live independently and who enter residential aged care. |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme 1.1 – Services to the Community – Social Security and Welfare, Programme 1.2 – Services to the Community - Health, the Department of Social Services’s Programme 3.4 – Residential and Flexible Care and the Department of Treasury’s Programme 1.10 – National Partnership Payments to the States. |
|  |
| **Programme 2.4 expenses**  Expenditure for Residential Care and Community Nursing is expected to increase across the out years. A reduction in clients will be offset by increased demand due to veterans’ age and frailty. An increase in the need for respite care is predicted, primarily given that carers themselves are ageing and will need increased support.  The Treasury administered expenditure for the Home and Community Care Services for Veterans’ Specific Purpose Payment as part of the COAG Project Agreements with the States. These payments are disclosed in the Department of Treasury’s Portfolio Budget Statements 2014-15 under Programme 1.10 – National Partnership Payments to the States. The programme terminates on 30 June 2014. |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.4: Veterans' Community Care and Support (continued)** | | | | | | | | |
| **Programme 2.4 expenses** | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Grants-In-Aid | 145 | 145 | 145 | 145 | 145 |
|  |  | Community Care Grants | 631 | 630 | 627 | 638 | 647 |
|  |  | Joint Venture Grants | 1,111 | 1,110 | 1,106 | 1,126 | 1,142 |
|  |  | JV Day Clubs | 390 | 381 | 368 | 375 | 401 |
|  |  | JV Home Maintenance | 391 | 363 | 361 | 367 | 374 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Residential care | 1,370,548 | 1,481,535 | 1,575,394 | 1,679,919 | 1,801,518 |
|  |  | Community nursing | 137,979 | 152,880 | 164,188 | 178,277 | 194,872 |
|  |  | Veterans' Home Care | 91,435 | 100,725 | 100,286 | 102,260 | 106,811 |
|  |  | In-home respite | 11,047 | 21,565 | 21,427 | 21,738 | 22,598 |
|  |  | Carer and volunteer support | 1,047 | 1,069 | 1,067 | 1,062 | 1,057 |
| Programme support | | | 26,831 | 26,220 | 26,150 | 25,643 | 25,718 |
| Expenses not requiring appropriation in the Budget year1 | | | 3,240 | 3,620 | 3,338 | 3,082 | 2,571 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **1,644,795** | **1,790,243** | **1,894,457** | **2,014,632** | **2,157,854** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |
| --- |
| **Programme 2.4 deliverables**  Veterans’ Home Care (VHC)   * The VHC programme supports veterans and war widow/ers in their own homes to improve their quality of life, independence and health, in particular, maintaining independent functioning within the home environment. The veteran community is ageing and increasingly requiring higher levels of services from the VHC programme to remain in their own homes. The provision of these services helps to delay entry to residential aged care and maximises independence for veterans and war widow/ers. * The Department contracts with 174 organisations across Australia to assess veterans and war widow/ers for VHC services and to deliver those services. It is estimated that around 63,500 veterans and war widow/ers will receive VHC services in 2014-15, with the average annual cost of services (including in-home respite care) being approximately $1,500 per client. * To ensure services are of high quality, a contract and quality management framework, together with post-payment monitoring, is in place for both Community Nursing and VHC.   Community Nursing   * The Community Nursing programme assists veterans and war widow/ers to avoid early admission to hospital and/or residential care by providing access to high quality community nursing services. The activities of this programme include the provision of clinical nursing and personal care services by DVA contracted community nursing providers. * The Department contracts with around 191 organisations across Australia to provide community nursing services to approximately 28,000 eligible veterans and war widow/ers.   Residential care   * Approximately $1.5 billion is expected to be provided by the Department as the Australian Government subsidy for entitled veterans and war widow/ers being in residential aged care facilities in 2014-15. This supports approximately 27,000 entitled veterans in residential care. |

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| Programme 2.4: Veterans' Community Care and Support (continued) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.4 key performance indicators**  Community Nursing and Veterans’ Home Care   * Provision of clinical nursing and home care services to eligible veterans and war widow/ers according to their assessed need. | | | | | | |
|  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance |  | Revised | Budget | Forward | Forward | Forward |
| Indicators |  | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |  |
| *Price:* Unit cost per cardholder |  | 124 | 129 | 136 | 141 | 149 |
|  |  |  |  |  |  |  |

|  |
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| Programme 2.5: Veterans' Counselling and Other Health Services |

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| --- |
| **Programme 2.5 objective**  To provide a wide range of mental and allied health care services, including counselling and referral services for veterans, war widow/ers, serving members, former defence force members and their families. |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme 1.1 – Services to the Community – Social Security and Welfare and Programme 1.2 – Services to the Community – Health. |
|  |
| **Programme 2.5 expenses**  Expenditure under allied health care and transport is expected to increase as an ageing veteran population access a greater variety of health care services. Expenditure and utilisation of services are demand driven, depending on the health care needs of entitled beneficiaries.  Payments to allied health providers for services provided to entitled beneficiaries are made through arrangements with Department of Human Services on behalf of DVA.  The increase in travel for treatment costs is attributable to increased ageing of the treatment population, resulting in increased treatment utilisation.  Variation in expenses over the forward years for aids and appliances is expected due to:   * new contractual arrangements for the supply of aids and appliances, and * an ageing treatment population driving increasing quantum and complexity of aids and appliances. |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Programme 2.5: Veterans' Counselling and Other Health Services (continued) | | | | | | | | |
| **Programme 2.5 expenses** | | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual Administered Expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Counselling support & children's assistance | 1,157 | 1,519 | 1,517 | 1,248 | 876 |
|  |  | Legal expenses | 55 | 55 | 55 | 56 | 57 |
|  |  | Veterans' employment & training | 571 | 572 | 573 | 588 | 604 |
|  |  | Health & medical research | 2,505 | 2,504 | 2,495 | 2,541 | 2,589 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Travel for treatment | 180,964 | 183,921 | 184,710 | 186,713 | 192,490 |
|  |  | Subsistence | 6,811 | 6,892 | 6,996 | 7,095 | 7,373 |
|  |  | Veterans and veterans' families counselling services | 29,452 | 30,499 | 31,291 | 32,653 | 34,276 |
|  |  | Non-institutional care - services | 171,708 | 178,606 | 190,178 | 193,603 | 196,501 |
|  |  | Non-institutional care - products | 62,354 | 59,607 | 56,778 | 54,631 | 53,102 |
|  |  | Rehabilitation appliances | 173,500 | 178,500 | 182,479 | 186,182 | 190,416 |
|  |  | Health treatment for BCAL veterans | 9,624 | 9,615 | 9,587 | 9,768 | 10,147 |
|  | *Australian Participants in British Nuclear Tests (Treatment) Act 2006* | |  |  |  |  |  |
|  |  | Nuclear test health care payments | 420 | 421 | 420 | 418 | 427 |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Health care and rehabilitation for certain AFP personnel with overseas service | - | - | - | - | - |
| Special Account Expenses: | | | - | - | - | - | - |
|  | *Special Account Name* | | - | - | - | - | - |
| Programme support | | | 44,167 | 42,630 | 41,604 | 41,098 | 41,159 |
| Expenses not requiring appropriation in the Budget year1 | | | 3,464 | 3,871 | 3,570 | 3,295 | 2,750 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **686,752** | **699,212** | **712,253** | **719,889** | **732,767** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

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| Programme 2.5: Veterans' Counselling and Other Health Services (continued) |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.5 deliverables**   * Ensure arrangements are in place to assist veterans to reach treatment locations through a variety of systems and transport modes. This includes reimbursing travel costs privately incurred (including financial assistance towards the costs for meals and accommodation), arranging taxi/hire car and air travel, and purchasing ambulance services from public and private sector providers. * Ensure arrangements are in place to provide an extensive range of rehabilitation aids which assist independent living and which are provided through a comprehensive system of prescribers and contracted suppliers. * Maintain arrangements with allied health providers in both the public and private sectors for the delivery of a comprehensive range of allied health services to entitled beneficiaries in order to meet their health care needs. * Ensure effective payment arrangements are in place for allied health providers. * Provide access to counselling services through the VVCS including use of outreach counsellors and through relevant providers in the public and private health sectors:   + intake and referral services   + counselling services   + after-hours counselling, and   + group programme intervention. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Health Treatment Card Holder Population | 215,900 | 204,000 | 192,900 | 182,500 | 172,900 |
|  |  |  |  |  |  |
| ***Travel for Treatment:*** |  |  |  |  |  |
|  |  |  |  |  |  |
| Number of processed claims for reimbursement | 156,235 | 170,300 | 185,600 | 202,000 | 200,200 |
|  |  |  |  |  |  |
| Number of DVA arranged person trips | 1,025,000 | 1,140,000 | 1,260,000 | 1,400,000 | 1,500,000 |
|  |  |  |  |  |  |
| ***Veteran Counselling:*** |  |  |  |  |  |
| Number of unique clients receiving intake referral services | 12,500 | 12,985 | 13,139 | 13,370 | 13,370 |
|  |  |  |  |  |  |
| Number of unique clients in receipt of counselling | 10,800 | 11,485 | 11,839 | 12,070 | 12,070 |
|  |  |  |  |  |  |
| Number of counselling sessions delivered | 63,000 | 66,310 | 67,234 | 68,620 | 68,620 |
|  |  |  |  |  |  |
| Number of calls received by the After Hours Counselling service | 6,700 | 7,115 | 7,412 | 7,481 | 7,481 |
|  |  |  |  |  |  |
| Number of unique clients receiving group programme intervention | 3,200 | 3,315 | 3,362 | 3,431 | 3,431 |
|  |  |  |  |  |  |

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| Programme 2.5: Veterans' Counselling and Other Health Services (continued) |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.5 key performance indicators**  The following KPIs measure the impact of the Programme:   * Veterans’ claims for travel costs are reimbursed within 28 days. * Veterans have access to ambulance services at the Repatriation Commission’s expense in all states and territories. * Level of veteran satisfaction is determined from six attitudinal questions contained in the satisfaction surveys completed by clients. * Percentage of unique clients presenting for service who receive attention within two weeks of intake. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 205 | 209 | 216 | 225 | 238 |
|  |  |  |  |  |  |
| ***Travel for Treatment:*** |  |  |  |  |  |
| Target percentage of claims for reimbursement processed within the Service Charter timeframe (28 days) | 100% | 100% | 100% | 100% | 100% |
|  |  |  |  |  |  |
| Degree of complaints about arranged travel relative to the quantity of bookings | 0.05% | 0.05% | 0.05% | 0.05% | 0.05% |
|  |  |  |  |  |  |
| ***Rehabilitation Appliances:*** |  |  |  |  |  |
| *Cost:* Attributed across treatment population | 664 | 718 | 778 | 843 | 843 |
|  |  |  |  |  |  |
| Number of broad categories of aids and appliances available to the veteran community listed in the RAP Schedule | 251 | 251 | 251 | 251 | 251 |
|  |  |  |  |  |  |
| Percentage of aids and appliances listed may be prescribed by General Practitioners, Registered Nurses and Occupational Therapists | 95% | 95% | 95% | 100% | 100% |
|  |  |  |  |  |  |
| ***Veteran Counselling:*** |  |  |  |  |  |
| Percentage of unique clients presenting for service who receive attention by a Outreach contracted Counsellor within two weeks of intake. | 63% | 64% | 65% | 65% | 65% |
|  |  |  |  |  |  |
| Centre based Counselling. Percentage of unique clients presenting for service who receive attention by a Centre based Counsellor within two weeks of intake. | 73% | 73% | 74% | 75% | 75% |
|  |  |  |  |  |  |
| Level of veteran satisfaction. | High | High | High | High | High |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services** | | | | | | | |
|  | | | | | | | |
| **Programme 2.6 objective**  To arrange for the provision of rehabilitation, medical and other related services under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) and the *Military Rehabilitation and Compensation Act 2004* (MRCA) and related legislation. This includes payment for medical treatment, rehabilitation services, attendant care and household services. | | | | | | | |
| **Linked to:**  This programme is linked to the Department of Human Services’ Programme 1.1 – Services to the Community – Social Security and Welfare. | | | | | | | |
|  | | | | | | | |
| **Programme 2.6 expenses**  Future budget results are anticipated to reflect a shift from SRCA–related payments to MRCA–related payments, in line with the extent of claims made against each Act. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| **Special Appropriations:** | | |  |  |  |  |  |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Medical services | 20,576 | 20,264 | 20,238 | 20,214 | 20,678 |
|  |  | Rehabilitation services | 6,450 | 6,369 | 6,276 | 6,184 | 6,307 |
|  |  | Other services | 13,147 | 13,156 | 13,151 | 13,142 | 13,324 |
|  | *Military Rehabilitation and Compensation Act 2004* | |  |  |  |  |  |
|  |  | Medical services | 21,815 | 24,449 | 28,112 | 32,327 | 32,973 |
|  |  | Rehabilitation services | 7,712 | 7,971 | 8,823 | 9,765 | 9,961 |
|  |  | Other services | 1,523 | 2,031 | 2,410 | 2,858 | 2,915 |
| Programme support | | | 19,835 | 19,645 | 19,344 | 18,991 | 18,451 |
| Expenses not requiring appropriation in the Budget year1 | | | 2,141 | 2,393 | 2,207 | 2,037 | 1,700 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **93,199** | **96,278** | **100,561** | **105,518** | **106,309** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

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| --- |
| **Programme 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services (continued)** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.6 deliverables**  Under the SRCA & MRCA, the Department will administer a range of benefits for Defence-related claims, including payment for rehabilitation services, medical treatment, attendant care and household services. | | | | | | |
|  | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | | Revised | Budget | Forward | Forward | Forward |
| Deliverables | | budget |  | year 1 | year 2 | year 3 |
|  | |  |  |  |  |  |
| *Quantity:* Number of SRCA rehabilitation assessments | | 764 | 724 | 686 | 650 | 650 |
|  | |  |  |  |  |  |
| *Quantity:* Number of SRCA medical and treatment accounts paid | | 100,928 | 96,891 | 93,015 | 89,400 | 89,400 |
|  | |  |  |  |  |  |
| *Quantity:* Number of MRCA rehabilitation assessments | | 773 | 873 | 986 | 1,100 | 1,100 |
|  | |  |  |  |  |  |
| *Quantity:* Number of MRCA medical and treatment accounts paid | | 25,317 | 30,284 | 36,220 | 42,500 | 42,500 |
|  | |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 2.6 key performance measure**  The following KPIs measure the impact of the Programme: | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quality:* Error rates SRCA rehabilitation assessments | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Quality:* Error rates SRCA accounts | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Quality:* Error rates MRCA rehabilitation assessments | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Quality:* Error rate of MRCA accounts paid incorrectly | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services** | | | | | | | |
|  | | | | | | | |
| **Programme 2.7 objective**  To provide an updated actuarial assessment of the movement in the liability for health and other care services under the rehabilitation and compensation Acts. | | | | | | | |
|  | | | | | | | |
| **Programme 2.7 expenses**  The movement in the liability provision for SRCA and MRCA is adjusted based on annual actuarial assessment from the Australian Government Actuary. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Administered Expenses | | |  |  |  |  |  |
| Expenses not requiring appropriation in the Budget year1 | | | 32,600 | 57,400 | 59,600 | 61,800 | 61,800 |
| **Total programme expenses** | | | **32,600** | **57,400** | **59,600** | **61,800** | **61,800** |

1. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

Outcome 3

|  |
| --- |
| Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations. |

Outcome 3 Strategy

* Promote community involvement in commemorations programmes, in conjunction with other government agencies and ex-service and community organisations.
* Support community awareness and preservation of Australia’s wartime and service heritage and veterans’ experiences.
* Commemorate eligible war dead and deceased veterans by maintaining individual graves, war cemeteries and Gardens of Remembrance.
* Maintain existing national memorials overseas and construct new memorials as determined by government processes.
* Manage Anzac Day services at Gallipoli, Turkey and Villers-Bretonneux, France, and support Anzac Day services at a number of other overseas locations, including Malaysia, Papua New Guinea and Thailand.

Outcome 3 Expense Statement

Table 2.3 provides an overview of the total expenses for Outcome 3 by programme.

Table 2.3: Budgeted Expenses and Resources for Outcome 3

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 3:** Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations. | | 2013-14 | 2014-15 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Programme 3.1: War Graves and Commemorations** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 48,832 | 47,720 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | 61 | 24,086 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 21,139 | 20,640 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,116 | 2,363 |
|  | **Total for Programme 3.1** | **72,148** | **94,809** |
|  |  |  |  |
| **Programme 3.2: Gallipoli-related Activities** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 3,381 | 6,616 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 1,284 | 1,274 |
|  | Expenses not requiring appropriation in the Budget year2 | 171 | 191 |
|  | **Total for Programme 3.2** | **4,836** | **8,081** |
|  |  |  |  |
| **Outcome 3 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 52,213 | 54,336 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | 61 | 24,086 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 22,423 | 21,914 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,287 | 2,554 |
| **Total expenses for Outcome 3** | | **76,984** | **102,890** |
|  |  | 2013-14 | 2014-15 |
| **Average Staffing Level (number)** | | 158 | 154 |
|  |  |  |  |

1. Departmental Appropriation combines ‘Ordinary annual services (Appropriation Bills No. 1)’ and ‘Revenue from independent sources (s31)’.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.

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

Contributions to Outcome 3

|  |
| --- |
| Programme 3.1: War Graves and Commemorations |

|  |
| --- |
| **Programme 3.1 objective**  Acknowledge and commemorate the service and sacrifice of the men and women who served Australia and its allies in wars, conflicts and peace operations. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 3.1 expenses**  Public interest in commemorative activities and war graves matters continues to rise because of significant wartime anniversaries, the ageing veteran population and ongoing Australian Defence Force deployment overseas.  There is continuing interest in funding under the commemorations programme, *Saluting Their Service*, and an increased demand for community awareness, education and online resources.  The Office of Australian War Graves (OAWG) constructs and maintains national memorials overseas. Projects in progress include the Australian Remembrance Trail in France and Belgium, the Australian Memorial in New Zealand, and the Australian contribution to the Vietnam Veterans’ Education Centre in the United States. OAWG has been providing official commemoration since 1922. As the average age of these commemorations grows, significant future works have been identified to maintain them at approved standards.  A number of significant anniversaries will occur this year. In addition to the centenary of the start of the First World War (2014) and the centenary of the Gallipoli landings (2015), other important anniversaries include the centenary of the first AIF convoy departing from Albany (2014), the 70th anniversary of VE day (2015) and the 70th anniversary of the Borneo campaign (2015).  The Department conducts an annual Anzac Day dawn service at Villers-Bretonneux in France and supports Anzac Day services at a number of other overseas locations, including Malaysia, Papua New Guinea and Thailand.  The Department has been tasked as the lead agency for preparing and managing the Australian Government’s arrangements for the Anzac Centenary 2014-18, including the Centenary of the First World War and the Centenary of the Gallipoli campaign in 2015. | | | | | | | |
|  | |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | |
|  | |  |  | Revised | Budget | Forward | Forward | Forward | |
| $('000) | | | | budget |  | year 1 | year 2 | year 3 | |
| Annual administered expenses: | | | |  |  |  |  |  | |
|  | | Appropriation Bill 11 | |  |  |  |  |  | |
|  | |  | War graves care & maintenance | 21,680 | 17,147 | 13,073 | 13,429 | 13,644 | |
|  | |  | OAWG refurbishment, reconstruction & relocation | 1,006 | 1,009 | 1,010 | 1,035 | 1,061 | |
|  | |  | Legal expenses | 5 | 5 | 5 | 5 | 5 | |
|  | |  | Veterans' commemorative activities | 26,141 | 29,559 | 9,922 | 7,986 | 7,591 | |
| Special Account Expenses: | | | |  |  |  |  |  | |
|  | |  | Australians at War | 1 | 1 | 1 | 1 | 1 | |
|  | |  | Services for Other Entity and Trust Moneys | 60 | 60 | 60 | 60 | 20 | |
|  | |  | Anzac Centenary Public Fund | - | 24,025 | 22,425 | 19,600 | 8,500 | |
| Programme support | | | | 21,139 | 20,640 | 17,816 | 17,348 | 17,566 | |
| Expenses not requiring appropriation in the Budget year2 | | | | 2,116 | 2,363 | 1,929 | 1,768 | 1,469 | |
| **Total programme expenses** | | | | **72,148** | **94,809** | **66,241** | **61,232** | **49,857** | |

1. Refer to the Movement of Funds Table 3.1.1
2. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation   
   Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Programme 3.1: War Graves and Commemorations (continued) | | | | | |
|  | | | | | |
| **Programme 3.1 deliverables**   * Develop and implement commemorative initiatives and provide support and funding under the commemorations programme, *Saluting Their Service*. * Promote community involvement in commemorations programmes, in conjunction with other government agencies and ex-service and community organisations. * Support community awareness and preservation of Australia’s wartime and service heritage and veterans’ experiences. * Lead and manage the Anzac Centenary 2014-18, including the Centenary of the First World War and the Centenary of the Gallipoli Campaign in 2015. * Commemorate eligible war dead and deceased veterans by maintaining war graves and war cemeteries in Australia, Papua New Guinea, Solomon Islands and Norfolk Island, South Africa, Korea, Japan, Malaysia and Singapore. * Process claims for, and provide new, official post-war commemorations. * Provide Australian commemorative information on cemeteries and memorials. * Maintain existing Australian Government memorials overseas and construct new memorials as determined by government processes. * Manage the “Graves of the Bravest” programme for recipients of the Victoria Cross, George Cross and Cross of Valour. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Maintain Commemorations: |  |  |  |  |  |
| War Cemeteries | 75 | 75 | 75 | 75 | 75 |
| Gardens of Remembrance | 10 | 10 | 10 | 10 | 10 |
| Memorials to the Missing | 5 | 5 | 5 | 5 | 5 |
| War Graves in Australia and PNG | 21,012 | 21,012 | 21,012 | 21,012 | 21,012 |
| Overseas Graves (non world wars) | 1,043 | 1,043 | 1,043 | 1,043 | 1,043 |
| Post War Commemorations | 310,104 | 313,970 | 317,581 | 320,937 | 324,038 |
|  |  |  |  |  |  |
| Provide new Post War Commemorations | 4,205 | 4,121 | 3,866 | 3,611 | 3,101 |
|  |  |  |  |  |  |
| Manage national memorials overseas | 36 | 36 | 37 | 37 | 37 |
|  |  |  |  |  |  |
| Implement War Graves related projects | 3 | 3 | 2 | 1 | - |
|  |  |  |  |  |  |
| Community awareness and education resources | 392,801 | 483,000 | 531,000 | 584,000 | 531,000 |
|  |  |  |  |  |  |
| Grants applications processed | 190 | 874 | 570 | 570 | 510 |
|  |  |  |  |  |  |
| Domestic commemorative events | 1 | 2 | 3 | 3 | 3 |
|  |  |  |  |  |  |
| International commemorative events (excludes Gallipoli, includes Villers-Bretonneux) | 3 | 2 | 4 | 4 | 3 |

|  |
| --- |
| Programme 3.1: War Graves and Commemorations (continued) |

|  |  |
| --- | --- |
| **Programme 3.1 key performance targets** | |
| **Deliverables (as shown in previous table)** | **Key Performance Indicators** |
| Maintain facilities and individual commemorations in Australia, PNG, South Africa, Korea, Japan, Malaysia & Singapore:  War Cemeteries  Gardens of Remembrance  Memorials to the Missing  War Graves in Australia & PNG  Overseas graves (non world wars)  Post War commemorations1 | The Maintenance of war cemeteries, memorials and graves is undertaken in accordance with Commonwealth War Graves Commission (CWGC) published standards. Performance is measured through CWGC inspections and veteran and community feedback. |
| Provide new Post War Commemorations | Commemorations are provided within published timeframes to meet Australian standards of production/ construction. |
| Manage national memorials overseas | Memorial presentation meets veteran and community approval and local requirements. Access and equity standards are met and, where applicable, information provided is both accurate and presented in a variety of formats. |
| Implement War Graves related projects | Project implementation meets the budget and timing agreed and announced by Government. |
| Community awareness & education resources | High level of community and veteran satisfaction with quality and accessibility of resources. |
| Grants applications approved | Grant applications are processed within timelines. High level of community and veteran satisfaction with grant outcomes. |
| Domestic commemorative events | High level of community and veteran satisfaction with commemorative events. |

1. Individual commemorations provided in cemeteries, crematoria and Gardens of Remembrance to eligible veterans whose death is determined to be related to their service in conflict or on peacekeeping.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 3.2: Gallipoli-related Activities** | | | | | | | |
|  | | | | | | | |
| **Programme 3.2 objective**  Coordinate and manage the delivery of annual commemorative and related activities at Gallipoli*.* | | | | | | | |
|  | | | | | | | |
| **Programme 3.2 expenses**  The Department is the lead government agency responsible for the planning and conduct of annual Anzac Day commemorations at Gallipoli. | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Gallipoli-related activities1 | 3,381 | 6,616 | 3,083 | 3,160 | 3,239 |
| Programme support | | | 1,284 | 1,274 | 1,158 | 1,094 | 1,109 |
| Expenses not requiring appropriation in the Budget year2 | | | 171 | 191 | 156 | 143 | 119 |
|  |  |  |  |  |  |  |  |
| **Total programme expenses** | | | **4,836** | **8,081** | **4,397** | **4,397** | **4,467** |

1. Refer to the Movement of Funds table 3.1.1.
2. Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense,   
   Amortisation Expense and Resources Received Free of Charge.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme 3.2 deliverables**  Planning for and conduct of annual Anzac Day services and management of related reviews and research. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables $('000) | budget |  | year 1 | year 2 | year 3 |
| Conduct annual Anzac Day services at Anzac Cove and Lone Pine, Gallipoli | 3,113 | 6,616 | 3,083 | 3,160 | 3,239 |
| Manage Gallipoli related works | 268 | - | - | - | - |
|  |  |  |  |  |  |
| **Programme 3.2 key performance targets**  Deliver commemorative and associated activities at Gallipoli. | | | | | |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Quality: Level of community engagement and satisfaction | High | High | High | High | High |
|  |  |  |  |  |  |
| Quality: Media interest | Positive | Positive | Positive | Positive | Positive |
|  |  |  |  |  |  |

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014-15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds and special accounts.

3.1 Explanatory Tables

3.1.1 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 with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the approved movement of administered funds between years.

**Table 3.1.1: Movement of Administered Funds between years**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Outcome 3:** |  |  |  |  |  |
| Programme 3.1 War Graves and Commemorations - Albany Convoy Commemorative Event1 | (1,429) | 1,429 | - | - | - |
|  |  |  |  |  |  |
| Programme 3.1 War Graves and Commemorations - Anzac Centenary Local Grants Program2 | (13,750) | 13,750 | - | - | - |
| Programme 3.1 War Graves and Commemorations - Contribution to the Vietnam Veterans' Education Centre, Washington3 | (217) | 50 | 50 | 117 | - |
| Australian War Memorial Travelling Exhibition4 | (8,400) | 8,400 | - | - | - |
|  |  |  |  |  |  |
| **Total Movement of** |  |  |  |  |  |
| **Administered Funds** | **(23,796)** | **23,629** | **50** | **117** | **-** |

Figures displayed as a negative (-) represent a decrease in funds; a positive reflects an increase in funds.

1. Movement of funds for $1.4 million in unspent administered funding to provide for extended timeframes in relation to the Albany Convoy commemorative event.

2. Movement of funds for $13.8 million in unspent Anzac Centenary Local Grants Programme administered funding to.

3. Movement of funds for $0.217 million in unspent administered funding to provide for extended deadlines for the development of Vietnam Veterans Education Centre.

4. Movement of funds for $8.4 million in unspent administered funding to provide for extended timeframes in relation to the Australian War Memorial Travelling Exhibition.

3.1.2 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 FMA Actor under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by Department of Veterans' Affairs.

Table 3.1.2: Estimates of Special Account Flows and Balances

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Opening |  |  |  | Closing |
|  |  |  | balance | Receipts | Payments | Adjustments | balance |
|  |  |  | **2014-15** | **2014-15** | **2014-15** | **2014-15** | **2014-15** |
|  |  |  | *2013-14* | *2013-14* | *2013-14* | *2013-14* | *2013-14* |
|  |  | Outcome | $'000 | $'000 | $'000 | $'000 | $'000 |
| Military Death Claim | | 1 | **293** | **380** | **215** | **-** | **458** |
| Compensation Special | |  |  |  |  |  |  |
| Account (A) | |  | *533* | *540* | *780* | *-* | *293* |
| Defence Service Homes | | 1 | **1,094** | **46,690** | **46,731** | **-** | **1,053** |
| Insurance Account (D) | |  | *1,875* | *43,900* | *44,681* | *-* | *1,094* |
| Australians at War | | 3 | **229** | **5** | **1** | **-** | **233** |
| Special Account (A) | |  | *225* | *5* | *1* | *-* | *229* |
| Anzac Centenary Public Fund | | 3 | **28** | **24,000** | **24,025** | **-** | **3** |
| Special Account (A) | |  | *1* | *27* | *-* | *-* | *28* |
| Services for Other Entities and | |  | **227** | **62** | **60** | **-** | **229** |
| Trust Moneys Special | |  |  |  |  |  |  |
| Account (A) | | 3 | *75* | *212* | *60* | *-* | *227* |
| **Total Special Accounts** | |  |  |  |  |  |  |
|  | **2014-15 Budget estimate** |  | **1,871** | **71,137** | **71,032** | **-** | **1,976** |
| *Total Special Accounts* | |  |  |  |  |  |  |
|  | *2013-14 estimate actual* |  | *2,709* | *44,684* | *45,522* | *-* | *1,871* |

(A) = Special Public Money, Administered

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

The 2014-15 Australian Government Indigenous Statement is not applicable because Department of Veterans' Affairs has no indigenous specific expenses.

3.2 Budgeted Financial Statements

3.2.1 Differences in Agency Resourcing and Financial Statements

There are differences between agency resourcing and the financial statements. These differences are caused by the accounting treatment for the departmental capital budget (DCB) that was implemented under net cost of services through Operation Sunlight. Additionally the Department has received funding where expenses have been incurred within the 2013-14 financial year and the related appropriation will be received in the 2014-15 financial year.

3.2.2 Analysis of Budgeted Financial Statements

The Strategic Financial Plan and the Capital Management Plan provide the framework for Department of Veterans' Affairs (DVA) planning and response to future budgets and financial sustainability.

The budgeted financial statements are shown at three levels and reflect the financial results of the three reporting entities that comprise DVA’s departmental accounts: DVA amalgamated, DVA excluding Defence Service Homes Insurance Scheme (DSHIS), and DSHIS.

##### Departmental (amalgamated)

The budgeted DVA and DSHIS financial statements form the basis of the financial statements that will appear in the organisation’s 2013-14 Annual Report, and input into the whole-of-government accounts. The budgeted financial statements are prepared on an accrual basis in accordance with the Australian Equivalents to International Financial Reporting Standards (AEIFRS) and the Finance Ministers Orders (FMOs).

##### Departmental (DVA excluding DSHIS)

###### Budgeted departmental income statement

The Department (excluding DSHIS) is budgeting for a breakeven operating result before depreciation and amortisation expense in 2014-15 and the forward estimates. Total revenue for the 2014-15 financial year is $295.6 million which represents an decrease of $4.9 million from the 2013-14 financial year. It comprises of $283.0 million of revenue from government, $11.8 million of own-source income and resources received free of charge of $0.8 million.

###### Budgeted departmental balance sheet

The Department’s (excluding DSHIS) net asset (equity) position for the 2014-15 financial year is projected to be $47.0 million, and represents a decrease of $16.5 million from the 2013-14 position $63.5 million.

Budgeted total assets of $136.5 million in 2014-15 represent a decrease of $17.7 million from 2013-14 of $154.2 million. This mainly comprises of a decrease in appropriation receivables of $1.4 million and a decrease in non-financial assets of $16.5 million.

Budgeted liabilities of $89.6 million in 2014-15 represent a decrease of $1.2 million from 2013-14 of $90.8 million and are primarily a result of a decrease in employee provisions of $1.4 million.

Departmental (DSHIS)

Budgeted departmental income statement

DSHIS is budgeting for an operating surplus of $3.5 million before depreciation and amortisation expense in 2014-15. Revenue for 2014-15 is expected to be $40.6 million and consists of $40.3 million of own-source income and $0.3 million of revenue from government, an increase of $3.8 million from 2013-14 of $36.8 million. This increase is primarily driven by the sale of goods and services (premium revenue) which is expected to increase from $32.4 million in 2013-14 to $35.8 million in the 2014-15 financial year.

Budgeted departmental balance sheet

DSHIS’s net asset position for 2014-15 is projected to be $29.3 million, and increase over the forward years.

Budgeted liabilities for 2014-15 are expected to be $35.9 million and reduce over the forward years.

Administered statements

Budgeted revenue and expenses

The Department will administer $12.2 billion of administered funding in the 2014-15 financial year.

Budgeted assets and liabilities

Total administered assets are expected to remain stable at $1.4 billion. Total administered liabilities are expected to increase by $0.2 billion to $5.6 billion in 2014-15 from the 2013-14 estimated actual of $5.4 billion, represented by an increase in personal benefits of $0.1 billion.

3.2.3 Budgeted financial statements tables

Table 3.2.1a: Departmental Comprehensive Income Statement (amalgamated)

(Showing Net Cost of Services) for the period ended 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSE** | | |  |  |  |  |  |
|  | Employee benefits | | 192,161 | 189,221 | 181,381 | 178,469 | 181,209 |
|  | Supplier expenses | | 114,265 | 113,061 | 111,882 | 108,497 | 108,470 |
|  | Depreciation and amortisation | | 29,071 | 32,665 | 29,641 | 27,120 | 22,530 |
|  | Insurance claims | | 27,484 | 29,467 | 31,596 | 33,880 | 36,330 |
| **Total expenses** | | | **362,981** | **364,414** | **354,500** | **347,966** | **348,539** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 42,631 | 46,702 | 50,755 | 51,358 | 56,134 |
|  | Other revenue | | 4,300 | 4,440 | 4,587 | 4,741 | 4,903 |
| **Total own-source revenue** | | | **46,931** | **51,142** | **55,342** | **56,099** | **61,037** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 805 | 805 | 805 | 805 | 805 |
| **Total gains** | | | **805** | **805** | **805** | **805** | **805** |
| **Total own-source income** | | | **47,736** | **51,947** | **56,147** | **56,904** | **61,842** |
|  |  |  |  |  |  |  |  |
| **Net cost of services** | | | **315,245** | **312,467** | **298,353** | **291,062** | **286,697** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 288,581 | 283,306 | 273,577 | 270,387 | 272,436 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **(26,664)** | **(29,161)** | **(24,776)** | **(20,675)** | **(14,261)** |

Prepared on Australian Accounting Standards basis

Continued on next page

Table 3.2.1a: Departmental Comprehensive Income statement (amalgamated) (Showing Net Cost of Services) for the period ended 30 June (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **OTHER COMPREHENSIVE INCOME** | | |  |  |  |  |  |
|  | Changes in assets revaluation | |  |  |  |  |  |
|  | reserve | | - | - | - | - | - |
| **Total other comprehensive income** | | | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
|  | **attributable to the** | |  |  |  |  |  |
|  | **Australian Government** | | **(26,664)** | **(29,161)** | **(24,776)** | **(20,675)** | **(14,261)** |
|  |  |  |  |  |  |  |  |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **(26,664)** | **(29,161)** | **(24,776)** | **(20,675)** | **(14,261)** |
|  |  |  |  |  |  |  |  |
| plus depreciation/amortisation expenses | | |  |  |  |  |  |
|  | previously funded through revenue | |  |  |  |  |  |
|  | appropriations1 | | 29,071 | 32,665 | 29,641 | 27,120 | 22,530 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) - as per the Statement of** | |  |  |  |  |  |
|  | **Comprehensive Income** | | **2,407** | **3,504** | **4,865** | **6,445** | **8,269** |

Prepared on Australian Accounting Standards basis

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2a: Budgeted Departmental Balance Sheet (amalgamated)

as at 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 3,321 | 3,448 | 2,778 | 2,598 | 2,864 |
|  | Trade and other receivables | | 11,906 | 12,906 | 12,906 | 12,906 | 12,906 |
|  | Appropriation receivables | | 8,368 | 6,986 | 5,199 | 4,225 | 4,730 |
|  | Investments | | 49,930 | 51,730 | 54,730 | 59,130 | 65,130 |
| ***Total financial assets*** | | | **73,525** | **75,070** | **75,613** | **78,859** | **85,630** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 20,423 | 17,153 | 15,813 | 13,969 | 14,228 |
|  | Infrastructure, plant and equipment | | 11,746 | 5,168 | 2,708 | 4,041 | 8,956 |
|  | Intangibles - Computer Software | | 101,541 | 94,810 | 83,085 | 69,849 | 56,181 |
|  | Other non-financial assets | | 9,231 | 9,231 | 9,231 | 9,231 | 9,231 |
| ***Total non-financial assets*** | | | **142,941** | **126,362** | **110,837** | **97,090** | **88,596** |
| **Total assets** | | | **216,466** | **201,432** | **186,450** | **175,949** | **174,226** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 14,041 | 14,183 | 15,130 | 16,353 | 17,182 |
|  | Other payables | | 25,464 | 25,464 | 25,464 | 25,464 | 25,464 |
| **Total Payables** | | | **39,505** | **39,647** | **40,594** | **41,817** | **42,646** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 68,554 | 67,198 | 63,818 | 61,447 | 61,351 |
|  | Other provisions | | 19,060 | 18,315 | 16,426 | 14,375 | 12,144 |
| **Total provisions** | | | **87,614** | **85,513** | **80,244** | **75,822** | **73,495** |
| **Total liabilities** | | | **127,119** | **125,160** | **120,838** | **117,639** | **116,141** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **89,347** | **76,272** | **65,612** | **58,310** | **58,085** |
|  |  |  |  |  |  |  |  |
| **Equity** | | |  |  |  |  |  |
|  | Contributed equity | | 187,961 | 204,047 | 218,163 | 231,536 | 245,572 |
|  | Asset revaluation reserve | | 9,091 | 9,091 | 9,091 | 9,091 | 9,091 |
|  | Retained surplus | |  |  |  |  |  |
|  |  | (accumulated deficit) | (107,705) | (136,866) | (161,642) | (182,317) | (196,578) |
| **Total equity** | | | **89,347** | **76,272** | **65,612** | **58,310** | **58,085** |

Prepared on Australian Accounting Standards basis

Table 3.2.3a: Budgeted Departmental Statement of Cash Flows (amalgamated)

for the period ended 30 June

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  | actual | estimate | estimate | estimate | estimate |
|  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Appropriations | 293,443 | 284,688 | 275,365 | 271,361 | 271,743 |
|  | Sale of goods and services | 51,322 | 54,381 | 58,875 | 59,946 | 65,220 |
|  | Net GST received | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
|  | Other | 2,734 | 2,870 | 3,014 | 3,165 | 3,323 |
| ***Total cash received*** | | **360,835** | **355,275** | **350,590** | **347,808** | **353,622** |
|  |  |  |  |  |  |  |
| **Cash used** | |  |  |  |  |  |
|  | Employees | 194,813 | 190,604 | 186,263 | 182,283 | 181,034 |
|  | Suppliers | 113,823 | 110,917 | 107,362 | 103,655 | 105,435 |
|  | Net GST paid | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
|  | Other | 35,876 | 38,491 | 41,299 | 44,314 | 47,551 |
| ***Total cash used*** | | **357,848** | **353,348** | **348,260** | **343,588** | **347,356** |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **operating activities** | **2,987** | **1,927** | **2,330** | **4,220** | **6,266** |
|  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Investments | - | - | - | - | - |
| ***Total cash received*** | | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |
| **Cash used** | |  |  |  |  |  |
|  | Purchase of property, plant |  |  |  |  |  |
|  | and equipment | 30,350 | 16,086 | 14,116 | 13,373 | 14,036 |
|  | Purchase of financial instruments | - | - | - | - | - |
|  | Investments | 3,000 | 1,800 | 3,000 | 4,400 | 6,000 |
| ***Total cash used*** | | **33,350** | **17,886** | **17,116** | **17,773** | **20,036** |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **investing activities** | **(33,350)** | **(17,886)** | **(17,116)** | **(17,773)** | **(20,036)** |
|  |  |  |  |  |  |  |
| **FINANCING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Equity Injections | 26,140 | 16,086 | 14,116 | 13,373 | 14,036 |
| ***Total cash received*** | | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
|  |  |  |  |  |  |  |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **financing activities** | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
| **Net increase or (decrease)** | |  |  |  |  |  |
|  | **in cash held** | **(1,457)** | **127** | **(670)** | **(180)** | **266** |
| Cash and cash equivalents at the | |  |  |  |  |  |
|  | beginning of the reporting period | 4,778 | 3,321 | 3,448 | 2,778 | 2,598 |
| **Cash and cash equivalents at the** | |  |  |  |  |  |
|  | **end of the reporting period** | **3,321** | **3,448** | **2,778** | **2,598** | **2,864** |

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Table 3.2.1b: Departmental Comprehensive Income Statement (DVA excluding  
 DSHIS) (showing net cost of services) for the period ended 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSE** | | |  |  |  |  |  |
|  | Employee benefits | | 188,363 | 185,138 | 176,992 | 173,751 | 176,137 |
|  | Supplier expenses | | 112,074 | 110,429 | 109,190 | 105,527 | 105,200 |
|  | Depreciation and amortisation | | 28,996 | 32,590 | 29,566 | 27,045 | 22,455 |
| **Total expenses** | | | **329,433** | **328,157** | **315,748** | **306,323** | **303,792** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 11,226 | 11,831 | 11,975 | 8,261 | 8,271 |
| **Total own-source revenue** | | | **11,226** | **11,831** | **11,975** | **8,261** | **8,271** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 750 | 750 | 750 | 750 | 750 |
| **Total gains** | | | **750** | **750** | **750** | **750** | **750** |
| **Total own-source income** | | | **11,976** | **12,581** | **12,725** | **9,011** | **9,021** |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by) services** | | | **317,457** | **315,576** | **303,023** | **297,312** | **294,771** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 288,461 | 282,986 | 273,457 | 270,267 | 272,316 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **(28,996)** | **(32,590)** | **(29,566)** | **(27,045)** | **(22,455)** |

Prepared on Australian Accounting Standards basis

Continued on next page

Table 3.2.1b: Departmental Comprehensive Income Statement (DVA excluding  
 DSHIS) (showing net cost of services) for the period ended 30 June (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **OTHER COMPREHENSIVE INCOME** | | |  |  |  |  |  |
|  | Changes in assets revaluation | |  |  |  |  |  |
|  | reserve | | - | - | - | - | - |
| **Total other comprehensive income** | | | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
|  | **attributable to the Australian** | |  |  |  |  |  |
|  | **Government** | | **(28,996)** | **(32,590)** | **(29,566)** | **(27,045)** | **(22,455)** |
|  |  |  |  |  |  |  |  |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **(28,996)** | **(32,590)** | **(29,566)** | **(27,045)** | **(22,455)** |
|  |  |  |  |  |  |  |  |
| plus depreciation/amortisation expenses | | |  |  |  |  |  |
|  | previously funded through revenue | |  |  |  |  |  |
|  | appropriations1 | | 28,996 | 32,590 | 29,566 | 27,045 | 22,455 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) - as per the Statement of** | |  |  |  |  |  |
|  | **Comprehensive Income** | | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

**Table 3.2.2b: Budgeted Departmental Balance Sheet (DVA excluding DSHIS) as at 30 June**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 2,227 | 2,395 | 1,749 | 1,575 | 1,803 |
|  | Trade and other receivables | | 3,240 | 3,240 | 3,240 | 3,240 | 3,240 |
|  | Appropriation receivables | | 8,368 | 6,986 | 5,199 | 4,225 | 4,730 |
|  | Investments | | - | - | - | - | - |
| ***Total financial assets*** | | | **13,835** | **12,621** | **10,188** | **9,040** | **9,773** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 20,423 | 17,153 | 15,813 | 13,969 | 14,228 |
|  | Infrastructure, plant and equipment | | 11,746 | 5,168 | 2,708 | 4,041 | 8,956 |
|  | Intangibles - Computer Software | | 101,011 | 94,355 | 82,705 | 69,544 | 55,951 |
|  | Other non-financial assets | | 7,231 | 7,231 | 7,231 | 7,231 | 7,231 |
| ***Total non-financial assets*** | | | **140,411** | **123,907** | **108,457** | **94,785** | **86,366** |
| **Total assets** | | | **154,246** | **136,528** | **118,645** | **103,825** | **96,139** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 10,375 | 10,517 | 11,464 | 12,687 | 13,516 |
|  | Other payables | | 5,964 | 5,964 | 5,964 | 5,964 | 5,964 |
| ***Total payables*** | | | **16,339** | **16,481** | **17,428** | **18,651** | **19,480** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 68,554 | 67,198 | 63,818 | 61,447 | 61,351 |
|  | Other provisions | | 5,880 | 5,880 | 5,880 | 5,880 | 5,880 |
| ***Total provisions*** | | | **74,434** | **73,078** | **69,698** | **67,327** | **67,231** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **90,773** | **89,559** | **87,126** | **85,978** | **86,711** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **63,473** | **46,969** | **31,519** | **17,847** | **9,428** |
|  |  |  |  |  |  |  |  |
| **Equity** | | |  |  |  |  |  |
|  | Contributed equity | | 187,961 | 204,047 | 218,163 | 231,536 | 245,572 |
|  | Asset revaluation reserve | | 9,091 | 9,091 | 9,091 | 9,091 | 9,091 |
|  | Retained surplus (accumulated deficit) | | (133,579) | (166,169) | (195,735) | (222,780) | (245,235) |
| **Total equity** | | | **63,473** | **46,969** | **31,519** | **17,847** | **9,428** |

Prepared on Australian Accounting Standards basis

Table 3.2.3b: Budgeted Departmental Statement of Cash Flows (DVA excluding DSHIS) for the period ended 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 293,323 | 284,368 | 275,245 | 271,241 | 271,623 |
|  | Sale of goods and services | | 11,226 | 11,831 | 11,975 | 8,261 | 8,271 |
|  | Net GST received | | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
| ***Total cash received*** | | | **317,885** | **309,535** | **300,556** | **292,838** | **293,230** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 191,015 | 186,521 | 181,873 | 177,564 | 175,961 |
|  | Suppliers | | 112,766 | 109,510 | 105,993 | 102,112 | 103,705 |
|  | Net GST paid | | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
| ***Total cash used*** | | | **317,117** | **309,367** | **301,202** | **293,012** | **293,002** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **operating activities** | | **768** | **168** | **(646)** | **(174)** | **228** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Purchase of property, plant | |  |  |  |  |  |
|  |  | and equipment | 30,350 | 16,086 | 14,116 | 13,373 | 14,036 |
| ***Total cash used*** | | | **30,350** | **16,086** | **14,116** | **13,373** | **14,036** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **(30,350)** | **(16,086)** | **(14,116)** | **(13,373)** | **(14,036)** |
| **FINANCING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Contributed equity | | 26,140 | 16,086 | 14,116 | 13,373 | 14,036 |
| ***Total cash received*** | | | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **financing activities** | | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(676)** | **168** | **(646)** | **(174)** | **228** |
| Cash and cash equivalents at the | | |  |  |  |  |  |
|  | beginning of the reporting period | | 2,903 | 2,227 | 2,395 | 1,749 | 1,575 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **2,227** | **2,395** | **1,749** | **1,575** | **1,803** |

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**Table 3.2.1c: Departmental Comprehensive Income Statement (DSHIS) (showing  
 net cost of services) for the period ended 30 June**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** | | |  |  |  |  |  |
|  | Employee benefits | | 3,798 | 4,083 | 4,389 | 4,718 | 5,072 |
|  | Supplier expenses | | 3,141 | 3,582 | 3,642 | 3,920 | 4,220 |
|  | Depreciation and amortisation | | 75 | 75 | 75 | 75 | 75 |
|  | Insurance claims | | 27,484 | 29,467 | 31,596 | 33,880 | 36,330 |
| **Total expenses** | | | **34,498** | **37,207** | **39,702** | **42,593** | **45,697** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 32,355 | 35,821 | 39,730 | 44,047 | 48,813 |
|  | Other | | 4,300 | 4,440 | 4,587 | 4,741 | 4,903 |
| **Total own-source revenue** | | | **36,655** | **40,261** | **44,317** | **48,788** | **53,716** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 55 | 55 | 55 | 55 | 55 |
| **Total gains** | | | **55** | **55** | **55** | **55** | **55** |
| **Total own-source income** | | | **36,710** | **40,316** | **44,372** | **48,843** | **53,771** |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by) services** | | | **(2,212)** | **(3,109)** | **(4,670)** | **(6,250)** | **(8,074)** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 120 | 320 | 120 | 120 | 120 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **2,332** | **3,429** | **4,790** | **6,370** | **8,194** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
|  | **attributable to the** | |  |  |  |  |  |
|  | **Australian Government** | | **2,332** | **3,429** | **4,790** | **6,370** | **8,194** |

Prepared on Australian Accounting Standards basis

Continued on next page

**Table 3.2.1c: Departmental Comprehensive Income Statement (DSHIS) (showing  
 net cost of services) for the period ended 30 June (continued)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income (loss)** | | |  |  |  |  |  |
|  | **less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **2,332** | **3,429** | **4,790** | **6,370** | **8,194** |
|  |  |  |  |  |  |  |  |
|  | plus depreciation/amortisation expenses | |  |  |  |  |  |
|  |  | previously funded through revenue |  |  |  |  |  |
|  |  | appropriations1 | 75 | 75 | 75 | 75 | 75 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) - as per the Statement of** | |  |  |  |  |  |
|  | **Comprehensive Income** | | **2,407** | **3,504** | **4,865** | **6,445** | **8,269** |

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1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2c: Budgeted Departmental Balance Sheet (DSHIS)   
as at 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 1,094 | 1,053 | 1,029 | 1,023 | 1,061 |
|  | Trade and other receivables | | 9,000 | 10,000 | 10,000 | 10,000 | 10,000 |
|  | Appropriation receivables | | - | - | - | - | - |
|  | Investments | | 49,930 | 51,730 | 54,730 | 59,130 | 65,130 |
| ***Total financial assets*** | | | **60,024** | **62,783** | **65,759** | **70,153** | **76,191** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Intangibles - Computer Software | | 530 | 455 | 380 | 305 | 230 |
|  | Other non-financial assets | | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| ***Total non-financial assets*** | | | **2,530** | **2,455** | **2,380** | **2,305** | **2,230** |
| **Total assets** | | | **62,554** | **65,238** | **68,139** | **72,458** | **78,421** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
|  | Other payables | | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 |
| **Total payables** | | | **23,500** | **23,500** | **23,500** | **23,500** | **23,500** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Other provisions | | 13,180 | 12,435 | 10,546 | 8,495 | 6,264 |
| **Total provisions** | | | **13,180** | **12,435** | **10,546** | **8,495** | **6,264** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **36,680** | **35,935** | **34,046** | **31,995** | **29,764** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **25,874** | **29,303** | **34,093** | **40,463** | **48,657** |
|  |  |  |  |  |  |  |  |
| **Equity** | | |  |  |  |  |  |
|  | Retained surplus | |  |  |  |  |  |
|  |  | (accumulated deficit) | 25,874 | 29,303 | 34,093 | 40,463 | 48,657 |
| **Total equity** | | | **25,874** | **29,303** | **34,093** | **40,463** | **48,657** |

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**Table 3.2.3c: Budgeted Departmental Statement of Cash Flows (DSHIS)   
for the period ended 30 June**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 120 | 320 | 120 | 120 | 120 |
|  | Sales of goods and services | | 41,046 | 43,500 | 47,850 | 52,635 | 57,899 |
|  | Other | | 2,734 | 2,870 | 3,014 | 3,165 | 3,323 |
| ***Total cash received*** | | | **43,900** | **46,690** | **50,984** | **55,920** | **61,342** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 3,798 | 4,083 | 4,390 | 4,719 | 5,073 |
|  | Suppliers | | 2,007 | 2,357 | 2,319 | 2,493 | 2,680 |
|  | Other | | 35,876 | 38,491 | 41,299 | 44,314 | 47,551 |
| ***Total cash used*** | | | **41,681** | **44,931** | **48,008** | **51,526** | **55,304** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **operating activities** | | **2,219** | **1,759** | **2,976** | **4,394** | **6,038** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Investments realised | | - | - | - | - | - |
| ***Total cash received*** | | | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Investments | | 3,000 | 1,800 | 3,000 | 4,400 | 6,000 |
| ***Total cash used*** | | | **3,000** | **1,800** | **3,000** | **4,400** | **6,000** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **(3,000)** | **(1,800)** | **(3,000)** | **(4,400)** | **(6,000)** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(781)** | **(41)** | **(24)** | **(6)** | **38** |
|  | Cash and cash equivalents at the | |  |  |  |  |  |
|  |  | beginning of the reporting period | 1,875 | 1,094 | 1,053 | 1,029 | 1,023 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **1,094** | **1,053** | **1,029** | **1,023** | **1,061** |

Prepared on Australian Accounting Standards basis

Table 3.2.4: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2014-15)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Retained | Asset | Contributed | Total |
|  |  |  | earnings | revaluation | equity/ | equity |
|  |  |  |  | reserve | capital |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as at 1 July 2014** | | |  |  |  |  |
|  | Balance carried forward from | |  |  |  |  |
|  |  | previous period | **(107,705)** | **9,091** | **187,961** | **89,347** |
|  | Adjustment for changes in | |  |  |  |  |
|  |  | accounting policies | - | - | - | - |
| ***Adjusted opening balance*** | | | **(107,705)** | **9,091** | **187,961** | **89,347** |
| **Comprehensive income** | | |  |  |  |  |
|  | Surplus (deficit) for the period | | (29,161) | - | - | (29,161) |
| ***Total comprehensive income*** | | | **(29,161)** | **-** | **-** | **(29,161)** |
|  |  |  |  |  |  |  |
| **Transactions with owners** | | |  |  |  |  |
| ***Contribution by owners*** | | |  |  |  |  |
|  | Equity injection - Appropriation | | - | - | 2,617 | 2,617 |
|  | Departmental Capital Budget | | - | - | 13,469 | 13,469 |
| ***Sub-total transactions with owners*** | | | **-** | **-** | **16,086** | **16,086** |
| **Estimated closing balance** | | |  |  |  |  |
|  | **as at 30 June 2015** | | **(136,866)** | **9,091** | **204,047** | **76,272** |

Prepared on Australian Accounting Standards basis

Table 3.2.5: Departmental Capital Budget Statement

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **NEW CAPITAL APPROPRIATIONS** | | |  |  |  |  |  |
|  | Capital budget - Bill 1 (Departmental Capital Budget) | | 14,056 | 13,469 | 13,356 | 13,373 | 14,036 |
|  | Equity injections - Bill 2 | | 12,084 | 2,617 | 760 | - | - |
| **Total new capital appropriations** | | | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
|  | | |  |  |  |  |  |
| **Provided for:** | | |  |  |  |  |  |
|  | Purchase of non-financial assets | | 26,140 | 16,086 | 14,116 | 13,373 | 14,036 |
| **Total items** | | | **26,140** | **16,086** | **14,116** | **13,373** | **14,036** |
|  |  |  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL ASSETS** | | | |  |  |  |  |
|  | Funded by capital appropriations1 | | 12,084 | 2,617 | 760 | - | - |
|  | Funded by capital appropriations - Departmental Capital Budget2 | | 14,056 | 13,469 | 13,356 | 13,373 | 14,036 |
|  | Funded internally from Departmental resources3 | | 4,210 | - | - | - | - |
| **TOTAL** | | | **30,350** | **16,086** | **14,116** | **13,373** | **14,036** |
|  |  |  |  |  |  |  |  |
| **RECONCILIATION OF CASH** | | |  |  |  |  |  |
|  | **USED TO ACQUIRE ASSETS** | |  |  |  |  |  |
|  | **TO ASSET MOVEMENT TABLE** | |  |  |  |  |  |
|  | Total purchases | | 30,350 | 16,086 | 14,116 | 13,373 | 14,036 |
| **Total cash used to** | | |  |  |  |  |  |
|  | **acquire assets** | | **30,350** | **16,086** | **14,116** | **13,373** | **14,036** |

Prepared on Australian Accounting Standards basis

1. Includes both current and prior Bill 2/4 appropriations and special capital appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets.
3. Includes the following sources of funding:

– current and prior year Bill 1/3 appropriations (excluding amounts from the DCB).

– section 31 relevant agency receipts

Table 3.2.6: Statement of Asset Movements (2014-15)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Land | Buildings | Other | Intangibles | Total |
|  |  |  |  | infrastructure, | - Computer |  |
|  |  |  |  | plant and | Software |  |
|  |  |  |  | equipment |  |  |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2014** | |  |  |  |  |  |
| Gross book value | | 1,352 | 38,819 | 36,769 | 193,142 | 270,082 |
| Accumulated depreciation/ | |  |  |  |  |  |
|  | amortisation and impairment | - | (19,748) | (25,023) | (91,601) | (136,372) |
| **Opening net book balance** | | **1,352** | **19,071** | **11,746** | **101,541** | **133,710** |
|  |  |  |  |  |  |  |
| **CAPITAL ASSET ADDITIONS** | |  |  |  |  |  |
| **Estimated expenditure on** | |  |  |  |  |  |
|  | **new or replacement assets** |  |  |  |  |  |
| By purchase or internally developed: | |  |  |  |  |  |
|  | Appropriation equity1 | - | - | - | 2,617 | 2,617 |
|  | Appropriation ordinary annual services2 | - | 2,201 | 2,500 | 8,768 | 13,469 |
| **Total additions** | | **-** | **2,201** | **2,500** | **11,385** | **16,086** |
|  |  |  |  |  |  |  |
| **Other movements** | |  |  |  |  |  |
| Depreciation/amortisation expense | | - | (5,471) | (9,078) | (18,116) | (32,665) |
| **Total other movements** | | **-** | **(5,471)** | **(9,078)** | **(18,116)** | **(32,665)** |
|  |  |  |  |  |  |  |
| **As at 30 June 2015** | |  |  |  |  |  |
| Gross book value | | 1,352 | 41,020 | 39,269 | 204,527 | 286,168 |
| Accumulated depreciation/ | |  |  |  |  |  |
|  | amortisation and impairment | - | (25,219) | (34,101) | (109,717) | (169,037) |
| **Closing net book balance** | | **1,352** | **15,801** | **5,168** | **94,810** | **117,131** |

Prepared on Australian Accounting Standards basis

1. "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2)   
   2014-15.
2. “Appropriation ordinary annual services” refers to funding provided through Appropriation   
   Bills (No. 1) 2014-15 for DCBs or other operational expenses.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government for the period ended 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | |  |  |  |  |  |
|  | Grants | | 5,901 | 6,887 | 6,886 | 7,012 | 7,049 |
|  | Personal benefits | | 6,676,180 | 6,612,926 | 6,474,110 | 6,322,873 | 6,083,385 |
|  | Payments to CAC Act bodies | | 40,900 | 47,808 | 39,382 | 38,937 | 39,100 |
|  | Other | | 5,393,217 | 5,508,378 | 5,552,167 | 5,682,964 | 5,861,585 |
| **Total expenses** | | |  |  |  |  |  |
|  | **administered on** | |  |  |  |  |  |
|  | **behalf of government** | | **12,116,198** | **12,175,999** | **12,072,545** | **12,051,786** | **11,991,119** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
| **Non-taxation revenue** | | |  |  |  |  |  |
|  | Other sources of | |  |  |  |  |  |
|  | non-taxation revenue | | 9,471 | 9,471 | 9,471 | 9,471 | 9,471 |
| ***Total non-taxation revenue*** | | | **9,471** | **9,471** | **9,471** | **9,471** | **9,471** |
| **Total own-source revenues** | | |  |  |  |  |  |
|  | **administered on behalf of** | |  |  |  |  |  |
|  | **Government** | | **9,471** | **9,471** | **9,471** | **9,471** | **9,471** |
|  |  |  |  |  |  |  |  |
| **Net Cost of (contribution by)** | | |  |  |  |  |  |
|  | **services** | | **12,106,727** | **12,166,528** | **12,063,074** | **12,042,315** | **11,981,648** |
| **Surplus (Deficit)** | | | **(12,106,727)** | **(12,166,528)** | **(12,063,074)** | **(12,042,315)** | **(11,981,648)** |

Prepared on Australian Accounting Standards basis

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government as at 30 June

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | | |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 78,801 | 78,801 | 78,801 | 78,801 | 78,801 |
|  | Other receivables | | 87,164 | 87,164 | 87,164 | 87,164 | 87,164 |
|  | Investments | | 1,262,674 | 1,264,993 | 1,262,000 | 1,259,503 | 1,257,947 |
| ***Total financial assets*** | | | **1,428,639** | **1,430,958** | **1,427,965** | **1,425,468** | **1,423,912** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Other | | - | 6,061 | 6,061 | 6,061 | 6,061 |
| ***Total non-financial assets*** | | | **-** | **6,061** | **6,061** | **6,061** | **6,061** |
| **Total assets administered** | | |  |  |  |  |  |
|  | **on behalf of government** | | **1,428,639** | **1,437,019** | **1,434,026** | **1,431,529** | **1,429,973** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | | |  |  |  |  |
| **Provisions and payables** | | |  |  |  |  |  |
|  | Other provisions and payables | | 1,831,556 | 1,904,553 | 1,993,981 | 2,085,490 | 2,176,700 |
|  | Personal benefits | | 3,547,791 | 3,696,298 | 3,864,178 | 4,031,329 | 4,182,297 |
|  | Other payables and accrued | |  |  |  |  |  |
|  |  | expenses | 40,403 | 40,403 | 40,403 | 40,403 | 40,403 |
| ***Total provisions and payables*** | | | **5,419,750** | **5,641,254** | **5,898,562** | **6,157,222** | **6,399,400** |
|  |  |  |  |  |  |  |  |
| **Total liabilities administered on** | | | |  |  |  |  |
| **behalf of the government** | | | **5,419,750** | **5,641,254** | **5,898,562** | **6,157,222** | **6,399,400** |

Prepared on Australian Accounting Standards basis

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows   
for the period ended 30 June**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | GST input credit received | | 43,512 | 43,512 | 43,512 | 43,512 | 43,512 |
|  | Other | | 9,471 | 9,471 | 9,471 | 9,471 | 9,471 |
| ***Total cash received*** | | | **52,983** | **52,983** | **52,983** | **52,983** | **52,983** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Personal benefits | | 6,583,362 | 6,464,419 | 6,306,230 | 6,155,722 | 5,932,417 |
|  | Other | | 5,415,297 | 5,436,364 | 5,463,738 | 5,592,473 | 5,770,375 |
|  | Grant payments | | 6,826 | 5,904 | 5,887 | 5,994 | 7,049 |
|  | GST payments to suppliers | | 43,512 | 43,512 | 43,512 | 43,512 | 43,512 |
|  | Payments to CAC Act bodies | | 40,900 | 47,808 | 39,382 | 38,937 | 39,100 |
| ***Total cash used*** | | | **12,089,897** | **11,998,007** | **11,858,749** | **11,836,638** | **11,792,453** |
| **Net cash used by** | | |  |  |  |  |  |
|  | **operating activities** | | **(12,036,914)** | **(11,945,024)** | **(11,805,766)** | **(11,783,655)** | **(11,739,470)** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Purchase of property, plant, | |  |  |  |  |  |
|  | equipment and Intangibles | | - | 6,061 | - | - | - |
|  | Payments to CAC Act Bodies | | 25,258 | 12,444 | 7,193 | 7,203 | 7,559 |
| ***Total cash used*** | | | **25,258** | **18,505** | **7,193** | **7,203** | **7,559** |
| **Net cash used by investing** | | |  |  |  |  |  |
|  |  | **Activities** | **(25,258)** | **(18,505)** | **(7,193)** | **(7,203)** | **(7,559)** |
| **FINANCING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Capital injections | | - | 6,061 | - | - | - |
| ***Total cash received*** | | | **-** | **6,061** | **-** | **-** | **-** |
| **Net cash received from** | | |  |  |  |  |  |
|  | | **financing activities** | **-** | **6,061** | **-** | **-** | **-** |
| **Net increase/decrease in cash held** | | | **(12,062,172)** | **(11,957,468)** | **(11,812,959)** | **(11,790,858)** | **(11,747,029)** |
| Cash and cash equivalents at | | |  |  |  |  |  |
|  | beginning of reporting period | | 78,801 | 78,801 | 78,801 | 78,801 | 78,801 |
| Cash from Official Public Account | | | 12,071,641 | 11,967,684 | 11,823,846 | 11,802,324 | 11,758,980 |
| Cash to Official Public Account | | | (9,469) | (10,216) | (10,887) | (11,466) | (11,951) |
| **Cash and cash equivalents** | | |  |  |  |  |  |
| **at end of reporting period** | | | **78,801** | **78,801** | **78,801** | **78,801** | **78,801** |

Prepared on Australian Accounting Standards basis

Table 3.2.5: Administered Capital Budget Statement

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **NEW CAPITAL APPROPRIATIONS** | | |  |  |  |  |  |
|  | Equity injections - Bill 2 | | - | 6,061 | - | - | - |
| **Total new capital appropriations** | | | **-** | **6,061** | **-** | **-** | **-** |
|  | | |  |  |  |  |  |
| **Provided for:** | | |  |  |  |  |  |
|  | Purchase of non-financial assets | | - | 6,061 | - | - | - |
| **Total items** | | | **-** | **6,061** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL ASSETS** | | | |  |  |  |  |
|  | Funded by capital appropriations | | - | 6,061 | - | - | - |
| **TOTAL** | | | **-** | **6,061** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **RECONCILIATION OF CASH** | | |  |  |  |  |  |
|  | **USED TO ACQUIRE ASSETS** | |  |  |  |  |  |
|  | **TO ASSET MOVEMENT TABLE** | |  |  |  |  |  |
|  | Total purchases | | - | 6,061 | - | - | - |
| **Total cash used to** | | |  |  |  |  |  |
|  | **acquire assets** | | **-** | **6,061** | **-** | **-** | **-** |

DVA

Australian War Memorial

Agency Resources and Planned Performance

DVA

Australian War Memorial

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DVA

Australian War Memorial

Section 1: Agency overview and resources

1.1 Strategic Direction Statement

The Australian Government’s outcome for the Australian War Memorial (AWM) includes all functions required of the Memorial under the *Australian* *War Memorial Act 1980*. One programme and eight programme components contribute to a single outcome:

*Outcome 1: Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the National Memorial, its collection and exhibition of historical material, commemorative ceremonies and research*.

During 2014-15, the Memorial will contribute significantly to its planned outcome by delivering the priorities and strategies detailed in the *Corporate Plan 2014-2017*.

Preparation for the Centenary of the First World War 2014-2018 will continue and implementation of a number of programmes commenced. On behalf of Government the Memorial will be developing the Anzac Centenary Travelling Exhibition and delivering an Anzac Centenary merchandising programme. The Memorial will deliver the First World War galleries redevelopment by the end of 2014 with a formal opening planned for early 2015.

Other key centenary projects will focus on commemorations such as the enhanced Anzac Day 2015 National Ceremony, a performance on 26 April 2015 following Anzac Day, the Commemorative Crosses programme which engages school children on an international scale and enhancements to the Commemorative Area including a Roll of Honour soundscape and lighting projections. School children across the nation will be involved in the sound recordings of the Roll of Honour soundscape. Anzac Connections will improve online access to the National Collection and encourage collaboration and community engagement. The History Channel documentary series, the Gallipoli conference, and the publication and exhibition programme will disseminate information and engage with the broader Australian and international community. First World War publications include *ANZAC Treasures: the Gallipoli collections of the Australian War Memorial and Australians at the Great War, 1914-1918.*

The travelling exhibition programme will see six exhibitions tour during the year, including: *Shaun Gladwell: Afghanistan*; *Nurses: Zululand to Afghanistan*; *Ben Quilty: After Afghanistan*; *Remember me: the lost diggers of Vignacourt*; *Reality in Flames: modern Australian art and the Second World War*; and *A Camera at Gallipoli* (working title).

The History Channel documentary series showing the Memorial behind the scenes and a Memorial Centenary merchandising programme will also promote the Memorial and our activities across Australia and internationally.

The writing of the *Official History of Peacekeeping and Post-Cold War Conflicts* will continue in 2014-15. This major project ensures that the Memorial continues its important role of recording Australia’s military history.

The Memorial will continue to provide dignified and fitting ceremonies, not only for Anzac Day and Remembrance Day, but for other commemorative days. The Last Post ceremony will be conducted on a daily basis and will be streamed live via the Memorial’s website.

Education programmes will continue to be a focus and the Memorial will deliver a range of high quality, engaging, curriculum-related school education programmes as well as increased online resources for teachers and students.

The Web Strategic Plan will be reviewed and updated and will include a strategy for the coordinated delivery of internet and social media components to internal and external users.

Major collection conservation programmes will continue with a focus on meeting the requirements of the First World War projects. The Collection Development Plan will be reviewed to identify gaps in the Collection, determine an approach for collecting for new conflicts, develop themes for ongoing collection development and ensure acquisitions and donations are managed effectively and efficiently. Implementation of a Treloar Site Development Plan to increase Collection storage at the Mitchell precinct will be commenced.

The Memorial will also be developing and implementing an Enterprise Architecture Strategy to improve business processes across all Memorial operations, increase flexibility for staff to achieve business goals, and to provide better services and facilities for visitors.

1.2 Agency resource statement

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

Table 1.1: Australian War Memorial Resource Statement

Budget estimates for 2014-15 as at Budget May 2014

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2014-15 |  | 2014-15 |  | 2014-15 | 2013-14 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
|  |  |  |  |  |  |  |  |  |  |
| **Opening balance/Reserves at bank** | | |  | 74,496 |  | - |  | 74,496 | 68,373 |
|  |  |  |  |  |  |  |  |  |  |
| **REVENUE FROM GOVERNMENT** | | |  |  |  |  |  |  |  |
| **Ordinary annual services1** | | |  |  |  |  |  |  |  |
|  | Outcome 1 | |  | 8,400 |  | 39,408 |  | 47,808 | 40,900 |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total ordinary annual services** | |  | **8,400** |  | **39,408** |  | **47,808** | **40,900** |
|  |  |  |  |  |  |  |  |  |  |
| **Other services2** | | |  |  |  |  |  |  |  |
|  | *Non-operating* | |  | **-** |  | 12,444 |  | 12,444 | 25,258 |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total other services** | |  | **-** |  | **12,444** |  | **12,444** | **25,258** |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total annual appropriations** | |  | **8,400** |  | **51,852** |  | **60,252** | **66,158** |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| **FUNDS FROM OTHER SOURCES** | | |  |  |  |  |  |  |  |
|  | Interest | |  | **-** |  | 2,470 |  | 2,470 | 2,833 |
|  | Royalties | |  | **-** |  | 150 |  | 150 | 25 |
|  | Sale of goods and services | |  | **-** |  | 3,255 |  | 3,255 | 3,255 |
|  | Other | |  | **-** |  | 5,389 |  | 5,389 | 4,456 |
|  | **Total** | |  | **-** |  | **11,264** |  | **11,264** | **10,569** |
|  |  |  |  |  |  |  |  |  |  |
| **Total net resourcing for agency** | | |  | **82,896** |  | **63,116** |  | **146,012** | **145,100** |

All figures are GST exclusive.

The Australian War Memorial (AWM) is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Veterans' Affairs which are then paid them to the AWM and are considered 'departmental' for all purposes.

1. Appropriation Bill (No. 1) 2014-15.

2. Appropriation Bill (No. 2) 2014-15.

The movement of funds between years relates to the planned expenditure for the Anzac Centenary Travelling Exhibition.

1.3 Budget measures

Budget measures relating to the Australian War Memorial are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2014-15 Budget measures

Part 1: Measures announced since the 2013-14 MYEFO

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Programme | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |  |
| **Expense measures** | |  |  |  |  |  |  |  |
| Efficiency Dividend - a further temporary increase of 0.25 per cent | |  | 1.1-1.8 |  |  |  |  |  |
|  | Departmental expenses | |  | - | (101) | (202) | (300) | (301) |
| **Total** | |  |  | **-** | **(101)** | **(202)** | **(300)** | **(301)** |
|  |  |  |  |  |  |  |  |  |
| **Total expense measures** | |  |  |  |  |  |  |  |
|  | Departmental |  |  | - | (101) | (202) | (300) | (301) |
| **Total** | |  |  | **-** | **(101)** | **(202)** | **(300)** | **(301)** |
|  |  |  |  |  |  |  |  |  |
| **Capital measures (if applicable)** | | |  |  |  |  |  |  |
| Efficiency Dividend - a further temporary increase of 0.25 per cent | | | 1.2-1.3 |  |  |  |  |  |
|  | Departmental capital | |  |  | (19) | (37) | (55) | (58) |
| **Total** | | |  |  | **(19)** | **(37)** | **(55)** | **(58)** |
|  |  |  |  |  |  |  |  |  |
| **Total capital measures** | | |  |  |  |  |  |  |
|  | Departmental | |  |  | (19) | (37) | (55) | (58) |
| **Total** | | |  |  | **(19)** | **(37)** | **(55)** | **(58)** |

Section 2: Outcomes and planned performance

2.1 Outcomes and performance information

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which Government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of the Australian War Memorial in achieving Government outcomes.

|  |
| --- |
| Outcome 1: Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the National Memorial, its collection and exhibition of historical material, commemorative ceremonies and research. |

Outcome 1 Strategy

The outcome will be achieved through the maintenance and development of the National Memorial, a national collection of historical material and through commemorative ceremonies, exhibitions, research, interpretation and dissemination.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by programme.

Table 2.1: Budgeted Expenses for Outcome 1

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 1**: Australians remembering, interpreting and | | 2013-14 | 2014-15 |
| understanding the Australian experience of war and its enduring | | Estimated | Estimated |
| impact through maintaining and developing the National | | actual | expenses |
| Memorial, its collection and exhibition of historical material, | | expenses |  |
| commemorative ceremonies and research. | | $'000 | $'000 |
|  |  |  |  |
| **Programme 1.1: Australian War Memorial** | |  |  |
|  |  |  |  |
| Revenue from Government | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 40,900 | 47,808 |
| Revenues from other independent sources | | 10,869 | 11,564 |
| Expenses not requiring appropriation in the Budget year | | 9,703 | 10,125 |
|  |  |  |  |
|  | **Total for Programme 1.1** | **61,472** | **69,497** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total expenses for Outcome 1** | | **61,472** | **69,497** |
|  |  |  |  |
|  |  | 2013-14 | 2014-15 |
| **Average Staffing Level (number)** | | 329 | 333 |

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

Contributions to Outcome 1

|  |
| --- |
| Programme 1.1: Australian War Memorial |

|  |
| --- |
| **Programme 1.1 objective**  To maintain and develop the National Memorial and a national collection of historical material and through commemorative ceremonies, exhibitions, research, interpretation and dissemination. |
| Linked to the following Programme components:  Programme component 1.1: Commemorative Ceremonies  Programme component 1.2: National Memorial and Grounds  Programme component 1.3: National Collection  Programme component 1.4: Exhibitions  Programme component 1.5: Interpretive Services  Programme component 1.6: Promotion and Community Services  Programme component 1.7: Research and Information Dissemination  Programme component 1.8: Visitor Services. |

**Programme Expenses 1.1**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  |  | 2013-14 | | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  |  | Revised | Budget | Forward | Forward | Forward |
|  |  |  |  | budget |  | year 1 | year 2 | year 3 |
|  | | |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Annual departmental expenses: | | |  |  |  |  |  |  |
|  | Departmental item | |  | 61,472 | 69,497 | 59,313 | 58,338 | 57,967 |
| **Total programme expenses** | | |  | **61,472** | **69,497** | **59,313** | **58,338** | **57,967** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme 1.1: Australian War Memorial (continued)** | | | | | | | |
| **Programme Components** | | | | | | | |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
|  |  |  | budget |  | year 1 | year 2 | year 3 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| ***1.1 - Commemorative Ceremonies*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 572 | 561 | 542 | 533 | 529 |
|  | **Total component expenses** | | **572** | **561** | **542** | **533** | **529** |
| ***1.2 - National Memorial & Grounds*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 6,590 | 6,474 | 6,244 | 6,141 | 6,103 |
|  | **Total component expenses** | | **6,590** | **6,474** | **6,244** | **6,141** | **6,103** |
| ***1.3 - National Collection*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 30,704 | 30,165 | 29,098 | 28,616 | 28,437 |
|  | **Total component expenses** | | **30,704** | **30,165** | **29,098** | **28,616** | **28,437** |
| ***1.4 - Exhibitions*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 8,256 | 17,219 | 8,884 | 8,743 | 8,683 |
|  | **Total component expenses** | | **8,256** | **17,219** | **8,884** | **8,743** | **8,683** |
| ***1.5 - Interpretive Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 4,371 | 4,293 | 4,142 | 4,073 | 4,047 |
|  | **Total component expenses** | | **4,371** | **4,293** | **4,142** | **4,073** | **4,047** |
| ***1.6 - Promotion & Community Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 3,363 | 3,303 | 3,186 | 3,134 | 3,114 |
|  | **Total component expenses** | | **3,363** | **3,303** | **3,186** | **3,134** | **3,114** |
| ***1.7 - Research & Information Dissemination*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 4,635 | 4,553 | 4,392 | 4,320 | 4,293 |
|  | **Total component expenses** | | **4,635** | **4,553** | **4,392** | **4,320** | **4,293** |
| ***1.8 - Visitor Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 2,981 | 2,929 | 2,825 | 2,778 | 2,761 |
|  | **Total component expenses** | | **2,981** | **2,929** | **2,825** | **2,778** | **2,761** |
| **Total programme expenses** | | | **61,472** | **69,497** | **59,313** | **58,338** | **57,967** |

Contributions to Outcome 1

|  |
| --- |
| Programme Component 1.1: Commemorative Ceremonies |
| **Programme component 1.1 objective**  Major national ceremonies, particularly Anzac Day and Remembrance Day, and other commemorative ceremonies are conducted and promoted in an engaging, dignified and appropriate manner. This Programme component assists Australians to remember the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.1 deliverables**  The Australian War Memorial will deliver:   * Three major commemorative ceremonies – the Anzac Day Dawn Service, Anzac Day National ceremony and Remembrance Day ceremony. * At least 10 other commemorative ceremonies. * At least two ceremonies per week for the School Wreath-laying Program. * The Last Post ceremony on a daily basis. |
| **Programme component 1.1 key performance indicators**  Attendance at and participation in a commemorative ceremony is an explicit act of remembrance. Therefore, the KPI for measuring the effectiveness of this Programme is the total attendance figure at commemorative ceremonies. |

|  |
| --- |
| Programme component 1.2: National Memorial and Grounds |
| **Programme component 1.2 objective**  The Memorial building and grounds are conserved and developed as a dignified, moving and impressive national memorial to Australians who served and died at war. This Programme component assists Australians to remember the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.2 deliverables**  The Australian War Memorial will deliver:   * The Memorial heritage building, commemorative area and surrounding grounds maintained and presented to the highest standards * Access to the Memorial and visitor facilities of the highest standard * Building works that comply with relevant standards, codes and regulations * Management and conservation of heritage elements using the Australia ICOMOS Burra Charter * Timely completion of works to minimise impact on visitors. |
| **Programme component 1.2 key performance indicators**  Attending the National Memorial is an explicit act of remembrance. Therefore, the KPI for this Programme component is the total attendance figure at the Australian War Memorial in Canberra. |

|  |
| --- |
| Programme component 1.3: National Collection |
| **Programme component 1.3 objective**  An outstanding national collection of historical material with provenance that is related to Australia’s military history, and which is developed, managed, preserved and interpreted to make it accessible. This Programme component assists Australians to remember, interpret and understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.3 deliverables**  The Australian War Memorial will deliver:   * An outstanding national collection of historical material with provenance that is related to Australia’s military history. |
| **Programme component 1.3 key performance indicators**  The existence of an outstanding national collection provides the necessary foundation for other Programme components to be able to occur (namely Programme components 1.2, 1.4 and 1.7). The KPIs for the effectiveness of this Programme component are:   * The number of new items acquired, in accordance with the Collection Development Plan * The number of items disposed of, in accordance with the Collection Development Plan * The number of collection items for which documentation has been enhanced or corrected * At least 80% of the collection in storage meets conservation standards for environmental conditions * Number of collection items that can be accessed via the Memorial’s website. |

|  |
| --- |
| Programme Component 1.4: Exhibitions |
| **Programme component 1.4 objective**  Development and maintenance of outstanding permanent, temporary and travelling exhibitions. This Programme component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.4 deliverables**  The Australian War Memorial will deliver:   * Permanent exhibitions developed and maintained to the highest standards * Travelling exhibitions exhibited at different venues across Australia * A minimum of two exhibitions displayed per year in the Special Exhibitions Gallery. |
| **Programme component 1.4 key performance indicators**  Attending a Memorial exhibition is a deliberate act to find out more about the Australian experience of war. The KPIs for this Programme component are:   * The total attendance figure at Memorial exhibitions and travelling exhibitions * Qualitative or quantitative evidence about increases in visitors’ understanding * Qualitative or quantitative evidence of affective or attitudinal change. |

|  |
| --- |
| Programme Component 1.5: Interpretive Services |
| **Programme component 1.5 objective**  Understanding of the Australian experience of war is enhanced through the provision of interactive interpretation, including the delivery of innovative on-site, outreach and online education and public programmes as well as special events. This Programme component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.5 deliverables**  The Australian War Memorial will deliver:   * a range of public programmes and events for visitors to the Memorial * a series of quality, engaging curriculum-related school education programmes for on-site education groups * Memorial Boxes for schools in all Australian states and territories to borrow during the year * a range of quality, engaging, curriculum-related online school education resources for teachers and students. |
| **Programme component 1.5 key performance indicators**  Attending a Memorial Programme or event is a deliberate act to find out more about the Australian experience of war. The KPIs for this Programme component are:   * The total attendance figure at Memorial programmes * Qualitative or quantitative evidence about increases in participants’ understanding * Qualitative or quantitative evidence of affective or attitudinal change. |

|  |
| --- |
| Programme Component 1.6: Promotion and Community Services |
| **Programme component 1.6 objective**  Promotion of the Memorial as an outstanding national institution and assistance to the community to understand the Memorial’s roles, activities, programmes, relevance and future. Through the provision of high-quality promotion and community services, the Programme provides a necessary foundation for other programmes to function effectively. In this way, this Programme assists Australians to remember, interpret and understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.6 deliverables**  The Australian War Memorial will deliver:   * An engaging website with accurate information * High quality service to the media to encourage suitable coverage in all forms of media * High quality marketing and promotional activities as appropriate. |
| **Programme component 1.6 key performance indicators**  Effective promotion of the Memorial provides the necessary foundation for other Programme components to function effectively (namely Programme components 1.1, 1.2, 1.3, 1.4, 1.5 and 1.7). The KPIs for the effectiveness of this Programme component are:   * Number of visits to the Memorial’s website * Number of people to make their first visit to the Memorial. * Number of positive media items including television, radio, online and print media. |

|  |
| --- |
| Programme Component 1.7: Research and Information Dissemination |
| **Programme component 1.7 objective**  The stimulation of an interest in and understanding of Australia’s military history by the production of and dissemination in print, broadcast and online media of articles, papers and presentations, conferences, publications and encouraging the conduct of historical research and dissemination of knowledge and understanding of Australia’s military history. This Programme component assists Australians to interpret and understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.7 deliverables**  The Australian War Memorial will deliver:   1. Support for research about Australian military history including:    1. The *Official History of Peacekeeping, Humanitarian and Post Cold-War Conflicts*    2. The Summer Scholars program    3. A range of internal research projects 2. A publishing Programme including:    1. Curatorial monographs    2. Military history publications    3. *Wartime* magazine    4. Exhibition and education publications 3. Access to collection items and military history information including:    1. Reading room facilities    2. An authoritative research enquiry service    3. An annual conference    4. Online research facilities    5. A shop that provides quality military history books and exhibition publications |
| **Programme component 1.7 key performance indicators**  Conducting individual research at the Memorial’s Research Centre, viewing online research facilities, making research enquiries, attending conferences or lectures, reading material produced by Memorial curators or historians are all deliberate actions to interpret and understand the Australian experience of war and its enduring impact on Australian society. The KPIs for the effectiveness of the Programme component are:   1. Number of visitors to the Research Centre’s Reading Room 2. Number of items retrieved for and accessed by Reading Room clients 3. Number of page views accessing the Memorial’s online research facilities 4. Number of research enquiries answered by Memorial staff 5. Total attendance at the annual conference 6. Number of lectures and conference papers given by Memorial staff 7. Number of books and articles written by Memorial staff 8. Sales figures for *Wartime* and other publications produced by the Memorial |

|  |
| --- |
| Programme Component 1.8: Visitor Services |
| **Programme component 1.8 objective**  Visitors to both the Memorial and its outreach programmes are provided with a standard of service that enhances their experience and encourages them to re-use services and promote them to others. Through the provision of high-quality visitor services, this Programme component provides a necessary foundation for other Programme components to function effectively. In this way, this Programme component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
| **Programme component 1.8 deliverables**  The Australian War Memorial will deliver:   * Front-of-house staff trained to deliver high level customer service and voluntary guides trained to an introductory level of military history and to deliver high level customer service. * High quality and suitable public facilities such as restrooms, cafe, and way-finding signs. * Opportunities for visitor feedback such as Service Charter, Visitors’ Book and evaluation services. |
| **Programme component 1.8 key performance indicators**  The provision of high-quality visitor services provides the necessary foundation for other Programme components to function effectively (namely Programme components 1.1, 1.2, 1.4, 1.5 and 1.7). The KPIs for the effectiveness of this Programme component are:   * At least 90% of surveyed visitors state that their visit has met or exceeded their expectations. * At least 80% of surveyed visitors state that the Memorial has maintained or improved its standard of service since their last visit. |

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014-15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 Explanatory tables

3.1.1 Movement of Administered Funds Between Years

The Australian War Memorial does not manage administered funds, however the Memorial’s appropriation is treated as administered funds by Department of Veterans’ Affairs.

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years, which relates to the planned expenditure for the Anzac Centenary Travelling Exhibition.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Table 3.1.1: Movement of Administered Funds Between Years1** | | | |  |  |
|  |  |  |  |  |  |
|  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Outcome 1: |  |  |  |  |  |
| Programme 1.1 Australian War Memorial | (8,400) | 8,400 |  |  |  |
|  |  |  | **-** | **-** | **-** |
| **Total Movement of** |  |  |  |  |  |
| **Administered Funds** | **(8,400)** | **8,400** | **-** | **-** | **-** |
|  |  |  |  |  |  |
| 1 Figures displayed as a negative (-) represent a decrease in funds and a positive reflect an increase in funds. | | | | | |

3.1.2 Special Accounts

The Australian War Memorial does not operate Special Accounts.

3.1.3 Australian Government Indigenous Expenditure

The Australian War Memorial reports the following Australian Government Indigenous expenditure.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Appropriations | | | |  | Other | Total | Programme |
|  |  |  | Bill | Bill | Special | Total |  |  |  |  |
|  |  |  | No. 1 | No. 2 | approp | approp |  |  |  |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 |  | $'000 | $'000 |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Australian War Memorial** | | |  |  |  |  |  |  |  |  |
| **Outcome 1** | | |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  | Departmental 2014-15 | | 116 | - | - | 116 |  | - | 116 | AWM |
|  | *Departmental 2013-14* | | *103* | *-* | *-* | *103* | *-* | *-* | *103* | *AWM* |
|  | Total outcome 2014-15 | | **116** | **-** | **-** | **116** | **-** | **-** | **116** |  |
|  | *Total outcome 2013-14* | | *103* | *-* | *-* | *103* |  | *-* | *103* |  |
| **Total AGIE 2014-15** | | | **116** | **-** | **-** | **116** |  | **-** | **116** |  |
| Total AGIE 2013-14 | | | *103* | *-* | *-* | *103* |  | *-* | *103* |  |

3.2 Budgeted financial statements

3.2.1 Differences in Agency Resourcing and Financial Statements

The Memorial reports no significant difference between agency resourcing and financial statements.

3.2.2 Analysis of Budgeted Financial Statements

The Memorial is forecasting a surplus in the Budget year of $0.2 million before heritage and cultural assets depreciation expense.

A deficit of $10 million is forecast in the Budget year after the application of heritage and cultural assets depreciation, also reflected in forward year estimates.

The Collection Development and Acquisition Budget (CDAB) is treated as an equity injection, and funds both the on-going preservation of the Memorial’s collection, plus acquisition of heritage and cultural assets.

Total revenue in 2014–15 is estimated to be $59 million, with the increase from 2013–14 estimated revenue attributable to a movement of 2013-14 funding into 2014-15 for the development of the ANZAC Centenary Travelling Exhibition.

The total equity of $1.265 billion in 2014–15 is an increase of $2 million from the 2013‑14 estimate, represented by an increase in equity injections to fund capital expenditure, offset by the operating deficit for the year.

The Memorial’s primary asset, the National Collection, is projected to remain relatively stable in value.

Investments on hand represent accumulated capital reserves, plus carried forward independently sourced revenue, set aside for specific commitments, planned for future years.

The Memorial’s primary liability continues to be employee provisions which, during 2014–15, are projected to be $9.1 million, as a result of accruing leave entitlements.

3.2.3 Budgeted Financial Statements Tables

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** | | |  |  |  |  |  |
|  | Employee benefits | | 25,448 | 25,898 | 24,861 | 24,018 | 24,129 |
|  | Supplier expenses | | 16,460 | 23,019 | 13,492 | 13,606 | 13,413 |
|  | Depreciation and amortisation1 | | 19,564 | 20,580 | 20,960 | 20,714 | 20,425 |
| **Total expenses** | | | **61,472** | **69,497** | **59,313** | **58,338** | **57,967** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering of services | | 3,255 | 3,255 | 3,255 | 3,255 | 3,255 |
|  | Interest | | 2,833 | 2,470 | 2,296 | 2,352 | 2,404 |
|  | Royalties | | 25 | 150 | 150 | 150 | 150 |
|  | Other | | 4,756 | 5,689 | 4,044 | 3,944 | 3,944 |
| **Total own-source revenue** | | | **10,869** | **11,564** | **9,745** | **9,701** | **9,753** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by)** | | |  |  |  |  |  |
| **services** | | | **50,603** | **57,933** | **49,568** | **48,637** | **48,214** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 40,900 | 47,808 | 39,382 | 38,937 | 39,099 |
|  |  |  |  |  |  |  |  |
| **Surplus (Deficit) attributable to the** | | |  |  |  |  |  |
| **Australian Government1** | | | **(9,703)** | **(10,125)** | **(10,186)** | **(9,700)** | **(9,115)** |
|  |  |  |  |  |  |  |  |
| **OTHER COMPREHENSIVE INCOME** | | |  |  |  |  |  |
|  | Changes in asset revaluation reserves | | 16,901 | **-** | - | - | - |
|  |  |  |  |  |  |  |  |
| **Total other comprehensive income** | | | **16,901** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | | **7,198** | **(10,125)** | **(10,186)** | **(9,700)** | **(9,115)** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
| **attributable to the** | | |  |  |  |  |  |
| **Australian Government1** | | | **7,198** | **(10,125)** | **(10,186)** | **(9,700)** | **(9,115)** |
| Prepared on Australian Accounting Standards basis | | | |  |  |  |  |
|  |  |  |  |  | Continued on next page | | |

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) less heritage and cultural** | |  |  |  |  |  |
|  | **depreciation expenses previously** | |  |  |  |  |  |
|  | **funded through revenue appropriations** | | **17,413** | **223** | **245** | **181** | **201** |
|  |  |  |  |  |  |  |  |
| plus heritage and cultural depreciation | | |  |  |  |  |  |
|  | expenses previously funded through | |  |  |  |  |  |
|  | revenue appropriations1 | | 10,215 | 10,348 | 10,431 | 9,881 | 9,316 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
| **(loss) - as per the Statement of** | | |  |  |  |  |  |
| **Comprehensive Income** | | | **7,198** | **(10,125)** | **(10,186)** | **(9,700)** | **(9,115)** |
| 1 | From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Departmental Capital Budget Statement. | | | | | | |
|  |
|  |
|  |
|  |  |  |  |  |  |  |  |
| Prepared on Australian Accounting Standards basis | | | | | | | |

**Table 3.2.2: Budgeted Departmental Balance Sheet  
(as at 30 June)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 1,496 | 1,202 | 1,726 | 1,490 | 1,850 |
|  | Trade and other receivables | | 829 | 876 | 876 | 876 | 876 |
|  | Investments accounted for under | |  |  |  |  |  |
|  | the equity method | | 73,000 | 61,000 | 62,000 | 64,000 | 65,000 |
|  | Other | | 1,255 | 1,255 | 1,255 | 1,255 | 1,255 |
| ***Total financial assets*** | | | **76,580** | **64,333** | **65,857** | **67,621** | **68,981** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 138,863 | 139,456 | 138,264 | 136,996 | 137,805 |
|  | Property, plant and equipment | | 1,052,096 | 1,066,748 | 1,063,912 | 1,061,621 | 1,058,608 |
|  | Intangibles | | 4,923 | 4,241 | 3,752 | 3,050 | 2,338 |
|  | Inventories | | 687 | 687 | 687 | 687 | 687 |
|  | Other | | 298 | 298 | 298 | 298 | 298 |
| ***Total non-financial assets*** | | | **1,196,867** | **1,211,430** | **1,206,913** | **1,202,652** | **1,199,736** |
| **Total assets** | | | **1,273,447** | **1,275,763** | **1,272,770** | **1,270,273** | **1,268,717** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Suppliers | | 1,608 | 1,608 | 1,608 | 1,608 | 1,608 |
|  | Other | | 29 | 29 | 29 | 29 | 29 |
| ***Total payables*** | | | **1,637** | **1,637** | **1,637** | **1,637** | **1,637** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 9,136 | 9,133 | 9,133 | 9,133 | 9,133 |
| ***Total provisions*** | | | **9,136** | **9,133** | **9,133** | **9,133** | **9,133** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **10,773** | **10,770** | **10,770** | **10,770** | **10,770** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **1,262,674** | **1,264,993** | **1,262,000** | **1,259,503** | **1,257,947** |

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Table continued on next page

**Table 3.2.2: Budgeted Departmental Balance Sheet  
(as at 30 June) (continued)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EQUITY\*** | | |  |  |  |  |  |
| **Parent entity interest** | | |  |  |  |  |  |
|  | Contributed equity | | 83,708 | 96,152 | 103,345 | 110,548 | 118,107 |
|  | Reserves | | 616,056 | 616,056 | 616,056 | 616,056 | 616,056 |
|  | Retained surplus | |  |  |  |  |  |
|  |  | (accumulated deficit) | 562,910 | 552,785 | 542,599 | 532,899 | 523,784 |
| **Total Equity** | | | **1,262,674** | **1,264,993** | **1,262,000** | **1,259,503** | **1,257,947** |

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

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**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of**

**Movement (Budget Year 2014-15)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Retained | Asset | Other | Contributed | Total |
|  |  |  | earnings | revaluation | reserves | equity/ | equity |
|  |  |  |  | reserve |  | capital |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as at 1 July 2014** | | |  |  |  |  |  |
|  | Balance carried forward from | |  |  |  |  |  |
|  |  | previous period | 562,910 | 616,056 | - | 83,708 | 1,262,674 |
|  | Adjustment for changes in | |  |  |  |  |  |
|  |  | accounting policies | - | - | - | - | - |
| ***Adjusted opening balance*** | | | **562,910** | **616,056** | **-** | **83,708** | **1,262,674** |
|  |  |  |  |  |  |  |  |
| **Comprehensive income** | | |  |  |  |  |  |
|  | Other comprehensive income | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Surplus (deficit) for the period** | | | **(10,125)** | **-** | **-** | **-** | **(10,125)** |
|  |  |  |  |  |  |  |  |
| ***Total comprehensive income*** | | | **(10,125)** | **-** | **-** | **-** | **(10,125)** |
| **Transactions with owners** | | |  |  |  |  |  |
|  | *Contributions by owners* | |  |  |  |  |  |
|  |  | Equity injection - Appropriation | - | - | - | 12,444 | 12,444 |
| ***Sub-total transactions with owners*** | | | **-** | **-** | **-** | **12,444** | **12,444** |
| **Estimated closing balance** | | |  |  |  |  |  |
|  | **as at 30 June 2015** | | **552,785** | **616,056** | **-** | **96,152** | **1,264,993** |
| **Closing balance attributable to the** | | |  |  |  |  |  |
|  | **Australian Government** | | **552,785** | **616,056** | **-** | **96,152** | **1,264,993** |

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**Table 3.2.4: Budgeted Departmental Statement of Cash Flows**

**(for the period ended 30 June)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 40,854 | 47,761 | 39,382 | 38,937 | 39,099 |
|  | Goods and services | | 3,255 | 3,255 | 3,255 | 3,255 | 3,255 |
|  | Interest | | 2,833 | 2,470 | 2,296 | 2,352 | 2,404 |
|  | Other | | 4,481 | 5,539 | 3,894 | 3,794 | 3,794 |
| ***Total cash received*** | | | **51,423** | **59,025** | **48,827** | **48,338** | **48,552** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 25,448 | 25,901 | 24,861 | 24,018 | 24,129 |
|  | Suppliers | | 16,460 | 23,019 | 13,492 | 13,606 | 13,413 |
| ***Total cash used*** | | | **41,908** | **48,920** | **38,353** | **37,624** | **37,542** |
| **Net cash from (used by)** | | |  |  |  |  |  |
| **operating activities** | | | **9,515** | **10,105** | **10,474** | **10,714** | **11,010** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Investments | | 81,500 | 76,500 | 66,000 | 66,000 | 69,000 |
| ***Total cash received*** | | | **81,500** | **76,500** | **66,000** | **66,000** | **69,000** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Purchase of property, plant | |  |  |  |  |  |
|  |  | and equipment | 28,650 | 34,843 | 16,143 | 16,153 | 17,209 |
|  | Investments | | 88,500 | 64,500 | 67,000 | 68,000 | 70,000 |
| ***Total cash used*** | | | **117,150** | **99,343** | **83,143** | **84,153** | **87,209** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **(35,650)** | **(22,843)** | **(17,143)** | **(18,153)** | **(18,209)** |

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Table continued on next page

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows**

**(for the period ended 30 June) (continued)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **FINANCING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Contributed equity | | 25,258 | 12,444 | 7,193 | 7,203 | 7,559 |
| ***Total cash received*** | | | **25,258** | **12,444** | **7,193** | **7,203** | **7,559** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **financing activities** | | **25,258** | **12,444** | **7,193** | **7,203** | **7,559** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(877)** | **(294)** | **524** | **(236)** | **360** |
|  | Cash and cash equivalents at the | |  |  |  |  |  |
|  |  | beginning of the reporting period | 2,373 | 1,496 | 1,202 | 1,726 | 1,490 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **1,496** | **1,202** | **1,726** | **1,490** | **1,850** |

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**Table 3.2.5: Departmental Capital Budget Statement**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | Estimated | Budget | Forward | Forward | Forward |
| actual | estimate | estimate | estimate | estimate |
| 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **NEW CAPITAL APPROPRIATIONS** | | |  |  |  |  |  |
|  | Equity injections - Bill 2 | | 25,258 | 12,444 | 7,193 | 7,203 | 7,559 |
| **Total capital appropriations** | | | **25,258** | **12,444** | **7,193** | **7,203** | **7,559** |
|  |  |  |  |  |  |  |  |
| **Represented by:** | | |  |  |  |  |  |
|  | Purchase of non-financial assets | | 25,258 | 12,444 | 7,193 | 7,203 | 7,559 |
| **Total represented by** | | | **25,258** | **12,444** | **7,193** | **7,203** | **7,559** |
|  |  |  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL** | | |  |  |  |  |  |
|  | **ASSETS** | |  |  |  |  |  |
|  | Funded by capital appropriations1,3 | | 14,196 | 23,506 | 7,193 | 7,203 | 7,559 |
|  | Funded internally from | |  |  |  |  |  |
|  |  | departmental resources1 | 14,754 | 11,637 | 9,250 | 9,250 | 9,950 |
| **TOTAL** | | | **28,950** | **35,143** | **16,443** | **16,453** | **17,509** |
|  |  |  |  |  |  |  |  |
| **RECONCILIATION OF CASH** | | |  |  |  |  |  |
|  | **USED TO ACQUIRE ASSETS** | |  |  |  |  |  |
|  | **TO ASSET MOVEMENT TABLE** | |  |  |  |  |  |
|  | Total purchases | | 28,950 | 35,143 | 16,443 | 16,453 | 17,509 |
|  |  | less Gifted assets | (300) | (300) | (300) | (300) | (300) |
|  | **Total cash used to** | |  |  |  |  |  |
|  |  | **acquire assets** | **28,650** | **34,843** | **16,143** | **16,153** | **17,209** |
| 1 Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations | | | | | | | | |
| 2 Includes the following sources of funding: | | | | | | | | |
| - current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB). | | | | | | | | |
| - donations and contributions | | | | | | | | |
| - gifts | | | | | | | | |
| - internally developed assets | | | | | | | | |
| 3 A movement of capital expenditure for the redevelopment of the First World War Galleries, has been approved  by the Minister for Finance | | | | | | | | |

Prepared on Australian Accounting Standards basis

**Table 3.2.6: Statement of Asset Movements (2014-15)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Land | Buildings | Other | Heritage | Intangibles | Total |
|  |  |  |  |  | property, | and | Computer |  |
|  |  |  |  |  | plant and | cultural | Software |  |
|  |  |  |  |  | equipment | assets |  |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2014** | | |  |  |  |  |  |  |
|  | Gross book value | | 9,700 | 131,617 | 43,712 | 1,095,494 | 10,946 | 1,291,469 |
|  | Accumulated depreciation/amortisation | |  |  |  |  |  |  |
|  | and impairment | | - | (2,454) | (11,519) | (75,591) | (6,023) | (95,587) |
| **Opening net book balance** | | | **9,700** | **129,163** | **32,193** | **1,019,903** | **4,923** | **1,195,882** |
|  |  |  |  |  |  |  |  |  |
| **CAPITAL ASSET ADDITIONS** | | |  |  |  |  |  |  |
| **Estimated expenditure on** | | |  |  |  |  |  |  |
| **new or replacement assets** | | |  |  |  |  |  |  |
|  | By purchase | |  |  |  |  |  |  |
|  |  | Appropriation - equity1 | - | - | 16,252 | 7,254 | - | 23,506 |
|  |  | Appropriation - ordinary |  |  |  |  |  |  |
|  |  | annual services2 | 2,000 | 3,480 | 4,220 | 1,537 | 100 | 11,337 |
|  | Assets received as gifts/donations | | - | - | - | 300 | - | 300 |
| **Total additions** | | | **2,000** | **3,480** | **20,472** | **9,091** | **100** | **35,143** |
|  |  |  |  |  |  |  |  |  |
| **Other movements** | | |  |  |  |  |  |  |
|  | Depreciation/amortisation | |  |  |  |  |  |  |
|  | expense | | - | (4,887) | (4,563) | (10,348) | (782) | (20,580) |
| **Total other movements** | | | - | (4,887) | (4,563) | (10,348) | (782) | (20,580) |
| **As at 30 June 2015** | | |  |  |  |  |  |  |
|  | Gross book value | | 11,700 | 135,097 | 64,184 | 1,104,585 | 11,046 | 1,326,612 |
|  | Accumulated depreciation/amortisation | |  |  |  |  |  |  |
|  | and impairment | | - | (7,341) | (16,082) | (85,939) | (6,805) | (116,167) |
| **Closing net book balance** | | | **11,700** | **127,756** | **48,102** | **1,018,646** | **4,241** | **1,210,445** |
| Prepared on Australian Accounting Standards basis | | | | | | | | |
|  |  |  |  |  |  |  |  |  |
| **Estimated operating expenditure in income statement for** | | | | | | |  |  |
| **heritage and cultural assets** | | | | | | |  |  |
|  |  |  |  |  |  |  |  |  |
| Operations and Maintenance | | |  |  |  | 336 |  |  |
| Preservation and Conservation | | |  |  |  | 17,687 |  |  |
| **Total operating expenditure on heritage and cultural assets** | | | | | | 18,023 |  |  |
|  |  |  |  |  |  |  |  |  |
| 1 "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2014-15, including CDABs. | | | | | | | | |
| 2 "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2014-15 for depreciation / amortisation expenses, DCBs or other operational expenses. | | | | | | | | |

3.2.4 Notes to the Financial Statements

**Note 1 – Revenue from government**

Revenue from government does not include Heritage and Cultural capital appropriations.

**Note 2 – Other Revenue**

Other revenue includes sponsorship and donation funds received.

**Note 3 – Depreciation and Amortisation**

Depreciation expense includes collection depreciation as per the Memorial’s depreciation policy.

**Note 4 – Investments**

The Memorial’s investments comprise short-term term deposits held with banks with a variety of maturity dates.

**Note 5 – Assets are categorised as follows**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Revised Budget 2013-14 $’000 | Budget 2014-15 $’000 | Forward Estimate 2015-16 $’000 | Forward Estimate 2016-17 $’000 | Forward Estimate 2017-18 $’000 |
| Written down value |  |  |  |  |  |
| Land and buildings | 138,863 | 139,456 | 138,264 | 136,996 | 137,805 |
| Infrastructure, plant and equipment | 4,621 | 5,560 | 5,859 | 5,799 | 5,357 |
| Exhibitions | 27,572 | 42,542 | 42,345 | 42,492 | 41,378 |
| Computer software | 4,923 | 4,241 | 3,752 | 3,050 | 2,338 |
| Heritage and cultural assets | 1,019,903 | 1,018,646 | 1,015,708 | 1,013,330 | 1,011,873 |
| **Total** | **1,195,882** | **1,210,445** | **1,205,928** | **1,201,667** | **1,198,751** |

**Note 6 - Intangibles**

This class of assets consists of purchased software.

Glossary

|  |  |
| --- | --- |
| Accrual accounting | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid. |
| 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 items | Expenses, revenues, 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, which were issued by the Australian Accounting Standards Board in July 2004. |
| Appropriation | An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose. |
| Annual Appropriation | Acts of Parliament, which provide appropriation for the government’s activities during a specific financial year. Three appropriation Bills are introduced into Parliament in May and comprise the Budget. Further supplementary Bills are introduced later in the financial year as part of the Additional Estimates process. The Parliamentary departments have their own appropriation Bills. |
| 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. |
| Departmental items | Assets, liabilities, revenues and expenses that are controlled by the agency to deliver programs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services, 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 | Indicators to assess the degree of success in achieving outcomes. As outcomes are generally long-term in nature, effectiveness indicators often relate to intermediate outcomes (shorter term impacts) below the planned outcomes specified. |
| Efficiency indicators | Measures the adequacy of an agency’s management of its programs 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 | Expenses represent the full costs of an activity, that is, the total value of all 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 the entity. Expenses include cash items, such as salary payments, as well as expenses that have been incurred, such as accruing employee entitlements that will be paid in the future. |
| Fair value | Valuation methodology: The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm’s length transaction. |
| Intermediate outcomes | More specific medium-term impacts (eg 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. *See* Outcomes. |
| Operating result | Equals revenue less expenses. |
| 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. |
| Price | One of the three key efficiency indicators. The amount the government or the community pays for the delivery of programs. |
| 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 users’ 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. |
| Revenue | Total value of resources earned or received for the provision of goods and services. |
| Special Account | Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (*Financial Management and Accountability Act 1997*, ss. 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 (s. 20 FMA Act) or through an Act of Parliament (referred to in s. 21 of the FMA Act). |
| Special Appropriations (including Standing Appropriations) | An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.  Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation. |