

**Portfolio Budget Statements 2013-14**

Budget related paper No. 1.4B

DEFENCE Portfolio

(Department of Veterans' Affairs)

budget initiatives and explanations OF

appropriations specified by outcomes

and Programs by agency

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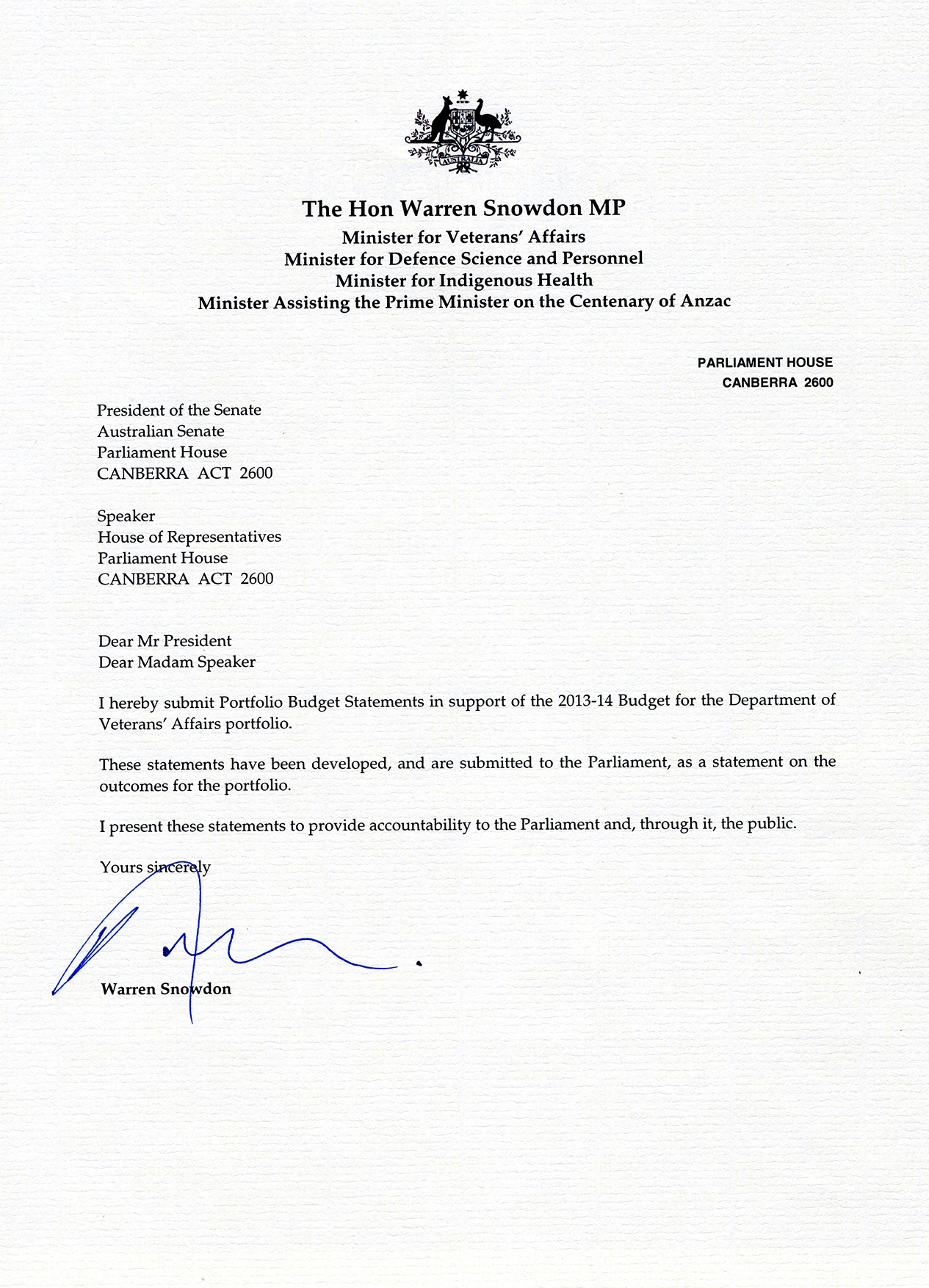


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#### Abbreviations and conventions

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nfp not for publication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 2013-14 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 2013-14 (or Appropriation Bill [Parliamentary Departments] No. 1 2013-14 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) manages the War Graves program and has three main functions. Firstly, it is responsible for the individual commemoration of Australia’s war dead. For those who died in the two world wars, OAWG is linked to the Commonwealth War Graves Commission and maintains the Commission’s war cemeteries and other commemorations in Australia, Papua New Guinea, the Solomon Islands and Norfolk Island. This responsibility is covered by a formal agreement between Australia and the Commission, signed on 1 January 1975. Under this agreement, OAWG also maintains war graves and cemeteries in Australia that contain the graves of foreign service personnel and civilian internees.

For those Australian service personnel who have died in conflicts subsequent to the two world wars, OAWG maintains individual commemorations in cemeteries overseas relating to a particular conflict, or in Australia.

Because of its expertise, OAWG also arranges the periodic maintenance of the graves and memorials to former Prime Ministers and Governors-General of Australia as negotiated with the Department of Sustainability, Environment, Water, Population and Communities.

As its second major responsibility, OAWG implements government policy for the perpetual commemoration of Australian veterans whose deaths after a war or conflict are accepted as being due to their war service.

Finally, on behalf of the Australian Government, OAWG constructs and maintains memorials overseas at sites significant to Australia’s military history.

OAWG activities are reported at Outcome 3 of the Portfolio Budget Statements.

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: Ian Campbell 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

**The Hon. Warren Snowdon MP**

Minister for Veterans’ Affairs

Minister for Defence Science and Personnel

Minister Assisting the Prime Minister on the Centenary of Anzac

Portfolio resources

Table 1 shows the total new resources provided to the portfolio in the 2013-14

budget year, by agency.

Table 1: Portfolio Resources 2013-14

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Appropriation | | | Receipts | Total |
|  | Bill No. 1 | Bill No. 2 | Special |  |  |
|  | $m | $m | $m | $m | $m |
| **Department of Veterans' Affairs** |  |  |  |  |  |
| Administered appropriations | 107.3 | - | 11,951.7 | - | 12,059.0 |
| Departmental appropriations | 303.3 | 10.3 | - | 56.9 | 370.5 |
| **Total:** | **410.6** | **10.3** | **11,951.7** | **56.9** | **12,429.5** |
|  |  |  |  |  |  |
| **Australian War Memorial** |  |  |  |  |  |
| Departmental appropriations | 49.3 | 25.3 | - | 9.3 | 83.9 |
| **Total:** | **49.3** | **25.3** | **-** | **9.3** | **83.9** |
|  |  |  |  |  |  |
| **Portfolio Total** | **459.9** | **35.6** | **11,951.7** | **66.2** | **12,513.4** |

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Affairs

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DVA

Department of Veterans' Affairs

## Section 1: Agency overview and resources

1.1 Strategic Direction Statement

The Department of Veterans' Affairs (DVA) supports those who serve or have served in defence of our nation and commemorates their service and sacrifice. DVA provides a range of programs and services to veterans, war widow/ers, serving members, former defence force members and their families, and eligible members of the Australian Federal Police who have served overseas.

For over 95 years DVA has been providing a high level of service and support to veterans and their families. DVA is now providing services to all generations of Australian veterans, their families and the wider community. In light of this, DVA’s strategic directions are about having a more flexible, modern approach to developing and delivering programs for the veteran community.

As we approach 2020, DVA will lead the Australian community in supporting veterans and their families to achieve sustainable wellbeing, social inclusion and financial independence. We provide programs and services to a broad range of clients ranging from widows of WW1 veterans through to service men and women returning from Afghanistan and their dependants. Our challenge is to tailor our support to meet the changing needs of all our clients, being sensitive to their situations and family and life circumstances.

DVA will continue to engage with the ex-service and veteran community, to ensure our services remain relevant, accessible and effective. Honouring those who have served and sacrificed is an important and significant role for DVA, and as we look towards the future the Department will ensure that commemorations remain relevant to, and inclusive of, our modern day veterans.

The key focus in delivering the Government’s programs over the next Budget year will be putting in place initiatives that position DVA to meet future challenges. These will include:

* mental health initiatives;
* health initiatives for aged care;
* forthcoming significant commemorative events;
* the effective and efficient allocation of DVA’s financial resources available to meet and exceed the expectations of our clients and the broader community; and
* The requirement to continue to deliver high-quality services using a single, cohesive and national approach. To achieve this, the Department continues to streamline functions to make them client-centric and to build the capability of its people and systems.

The Department will continue to target its services and business processes to maintain and enhance financial wellbeing and health care to the veteran and defence communities and other eligible persons.

In 2013-14, the Department will progress plans for the upcoming Anzac Centenary. The Centenary will mark 100 years since Australia’s involvement in the First World War, as well as commemorate over a Century of Service. It will also provide the opportunity for Australians to honour 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.

The Department will continue to develop the way it supports the mental health of the veteran community, including in the context of the drawdown in Afghanistan. A new Veteran Mental Health Strategy will be released to set strategic objectives over the next decade. The Mental Health Services expansion will provide additional access to mental health services, strengthen mental health support for veterans, and improve claims processing.

In conjunction with the Department of Defence, the Department will continue to implement the recommendations accepted by Government in its response to the Review of Military Compensation Arrangements. The implementation of these recommendations will deliver improvements to current arrangements for compensation and health care; increase financial compensation for eligible members and families; improve training for those who provide advice to the veteran community on entitlements; and promote rehabilitation.

The Department will also continue to develop the way veterans and their dependants communicate with the Department, through implementation of a new suite of online services, providing clients with more choice and convenience in the way they interact with the Department.

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 2013-14 as at Budget May 2013

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2013-14 |  | 2013-14 |  | 2013-14 | 2012-13 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Ordinary annual services1** | | |  |  |  |  |  |  |  |
| **Departmental appropriation** | | |  |  |  |  |  |  |  |
|  | Prior year departmental appropriation2 | |  | 23,277 |  | - |  | 23,277 | - |
|  | Departmental appropriation3 | |  | - |  | 303,330 |  | 303,330 | 299,392 |
|  | s31 Relevant agency receipts4 | |  | - |  | 9,290 |  | 9,290 | 9,219 |
|  | **Total** | |  | **23,277** |  | **312,620** |  | **335,897** | **308,611** |
|  |  |  |  |  |  |  |  |  |  |
| **Administered expenses** | | |  |  |  |  |  |  |  |
|  | Outcome 18 | |  | - |  | 37,342 |  | 37,342 | 37,319 |
|  | Outcome 28 | |  | - |  | 7,415 |  | 7,415 | 6,887 |
|  | Outcome 38 | |  | - |  | 62,545 |  | 62,545 | 31,606 |
|  | Payments to CAC Act bodies | |  | - |  | 49,330 |  | 49,330 | 39,353 |
|  | **Total** | |  | - |  | **156,632** |  | **156,632** | **115,165** |
| **Total ordinary annual services** | | | **A** | **23,277** |  | **469,252** |  | **492,529** | **423,776** |
| **Other services5** | | |  |  |  |  |  |  |  |
| **Administered expenses** | | |  |  |  |  |  |  |  |
|  | **Administered non-operating** | |  |  |  |  |  |  |  |
|  |  | Payments to CAC Act bodies |  |  |  |  |  |  |  |
|  |  | - non-operating |  | - |  | 25,265 |  | 25,265 | 11,125 |
|  | **Total** | |  | **-** |  | **25,265** |  | **25,265** | **11,125** |
|  |  |  |  |  |  |  |  |  |  |
| **Departmental non-operating** | | |  |  |  |  |  |  |  |
|  | Equity injections5 | |  | - |  | 10,325 |  | 10,325 | 7,296 |
|  | **Total** | |  | **-** |  | **10,325** |  | **10,325** | **7,296** |
| **Total other services** | | | **B** | **-** |  | **35,590** |  | **35,590** | **18,421** |
| **Total available annual** | | |  |  |  |  |  |  |  |
|  | **appropriations** | |  | **23,277** |  | **504,842** |  | **528,119** | **442,197** |
|  |  |  |  |  |  |  |  | Continued on next page | |

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

Estimates for 2013-14 as at Budget May 2013 (continued)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Special appropriations** | | |  |  |  |  |  |  |  |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2013-14 |  | 2013-14 |  | 2013-14 | 2012-13 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Special appropriations limited** | | |  |  |  |  |  |  |  |
|  |  | **by criteria/entitlement** |  |  |  |  |  |  |  |
|  |  | **Outcome 1** |  |  |  |  |  |  |  |
|  |  | *Papua New Guinea (Members of the Forces Benefits) Act 1957* |  | - |  | 70 |  | 70 | 65 |
|  |  | *Veterans' Entitlements Act 1986 (VEA)* |  | - |  | 6,239,199 |  | 6,239,199 | 6,224,103 |
|  |  | *Defence Service Homes Act 1918* |  | - |  | 1,426 |  | 1,426 | 2,123 |
|  |  | *Safety, Rehabilitation and Compensation Act 1988* |  | - |  | 126,843 |  | 126,843 | 134,854 |
|  |  | *Military Rehabilitation and Compensation Act 2004* |  | - |  | 158,049 |  | 158,049 | 145,677 |
|  |  | **Total Outcome 1** |  | **-** |  | **6,525,587** |  | **6,525,587** | **6,506,822** |
|  |  | **Outcome 2** |  |  |  |  |  |  |  |
|  |  | *Veterans' Entitlements Act 1986 (VEA)* |  | - |  | 5,361,449 |  | 5,361,449 | 5,377,235 |
|  |  | *Safety, Rehabilitation and Compensation Act 1988* |  | - |  | 37,876 |  | 37,876 | 37,103 |
|  |  | *Military Rehabilitation and Compensation Act 2004* |  | - |  | 26,467 |  | 26,467 | 23,762 |
|  |  | *Australian Participants in British Nuclear Tests (Treatment) Act 2006* |  | - |  | 274 |  | 274 | 406 |
|  |  | **Total Outcome 2** |  | **-** |  | **5,426,066** |  | **5,426,066** | **5,438,506** |
| **Total special appropriations** | | | **C** | **-** |  | **11,951,653** |  | **11,951,653** | **11,945,328** |
| **Total appropriations excluding** | | |  |  |  |  |  |  |  |
|  | **Special Accounts** | |  | **23,277** |  | **12,456,495** |  | **12,479,772** | **12,387,525** |
|  |  |  |  |  |  |  |  | Continued on next page | |

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

Estimates for 2013-14 as at Budget May 2013 (continued)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2013-14 |  | 2013-14 |  | 2013-14 | 2012-13 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
| **Special Accounts** | | |  |  |  |  |  |  |  |
|  |  | Opening balance 6 |  | 1,062 |  | - |  | 1,062 | 1,550 |
|  |  | Appropriation receipts7 |  | - |  | 120 |  | 120 | 120 |
|  |  | Non-appropriation receipts to |  | - |  |  |  |  |  |
|  |  | Special Accounts |  | - |  | 48,547 |  | 48,547 | 41,292 |
| **Total Special Accounts** | | | **D** | **1,062** |  | **48,667** |  | **49,729** | **42,962** |
| **Total resourcing** | | |  | **24,339** |  | **12,505,162** |  | **12,529,501** | **12,430,487** |
| 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 | | |  | - |  | 74,715 |  | 74,715 | 50,598 |
| **Total net resourcing for DVA** | | |  | **24,339** |  | **12,430,447** |  | **12,454,786** | **12,379,889** |

1. Appropriation Bill (No. 1) 2013-14.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of $14.1 million in 2013-14 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) 2013-14.
6. Estimated opening balance for special accounts (less ‘Special Public Money’ held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non‑agency Bodies accounts (SOG), or 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 2013-14 included above.
8. Includes reductions to 2012-13 annual estimates subsequent to 2012-13 PBS.

Reader note: All figures are GST exclusive.

Continued on next page

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

Estimates for 2013-14 as at Budget May 2013 (continued)

Third Party Payments from and on behalf of other agencies

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **2013-14** | **2012-13** |
|  |  | $'000 | $'000 |
| Receipts received from the Department of Defence for the provision of | |  |  |
|  | services (disclosed above within Departmental s31) | 5,838 | 5,881 |
| Payments made to CAC Act bodies within the Portfolio | |  |  |
|  | Australian War Memorial - Bill 1 | 49,330 | 39,353 |
|  | Australian War Memorial - Bill 2 | 25,265 | 11,125 |
| Payments made on behalf of Department of Families, Housing, | |  |  |
|  | Community Services and Indigenous Affairs for pension payments | 57,407 | 56,142 |
| Payments made on behalf of Department of Families, Housing, | |  |  |
|  | Community Services and Indigenous Affairs for school kids bonus | 1,300 | 650 |
| Payments received from the Department of Families, Housing, | |  |  |
|  | Community Services and Indigenous Affairs for the provision of services | 195 | 195 |
| Payments made by the Department of Human Services (DHS) on behalf of DVA | |  |  |
|  | under the *Veterans' Entitlements Act 1986,* | 4,046,737 | 3,991,779 |
|  | under the *Military Rehabilitation and Compensation Act 2004, and* | 16,587 | 14,299 |
|  | under the *Australian Participants in British Nuclear Tests (Treatment) Act 2006* | 274 | 406 |
| Payments made to DHS for processing payment of health care provider | |  |  |
|  | treatment accounts and the provision of IT services. | 35,339 | 27,883 |

1.3 Budget Measures

Budget measures in Part 1 relating to Department of Veterans' Affairs are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Expense Measures** | |  |  |  |  |  |  |
| **Outcome 1** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Pension Bonus Scheme - cease late registrations1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (1,746) | (3,339) | (870) | - |
|  | Departmental expenses |  | - | 176 | - | - | - |
| **Total** | |  | **-** | **(1,570)** | **(3,339)** | **(870)** | **-** |
|  |  |  |  |  |  |  |  |
| Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | (318) | (949) | (1,545) |
|  | Departmental expenses |  | - | - | 620 | 123 | - |
| **Total** | |  | **-** | **-** | **302** | **(826)** | **(1,545)** |
|  |  |  |  |  |  |  |  |
| Supporting Senior Australians - Housing Help for Seniors - pilot1 | | 1.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | 1,198 | 2,371 | 3,488 |
|  | Departmental expenses |  | - | 1,110 | 422 | 409 | 415 |
| **Total** | |  | **-** | **1,110** | **1,620** | **2,780** | **3,903** |
|  |  |  |  |  |  |  |  |
| Reclassification of Australian Defence Force Service - Third Country Deployments in Afghanistan | | 1.6 |  |  |  |  |  |
|  | Administered expenses |  | - | 374 | 27 | 30 | 32 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **374** | **27** | **30** | **32** |
|  |  |  |  |  |  |  |  |
| Mental health services - expansion | | 1.6 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | 255 | 340 | 509 | 595 |
| **Total** | |  | **-** | **255** | **340** | **509** | **595** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **Total Outcome 1** | |  |  |  |  |  |  |
|  | Administered |  | - | (1,372) | (2,432) | 582 | 1,975 |
|  | Departmental |  | - | 1,541 | 1,382 | 1,041 | 1,010 |
|  | **Total** |  | **-** | **169** | **(1,050)** | **1,623** | **2,985** |
|  |  |  |  |  |  |  |  |
| **Outcome 2** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Medicare Benefits Schedule - new listings2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | (1) | (1) | 3 | 4 | (1) |
| **Total** | |  | **(1)** | **(1)** | **3** | **4** | **(1)** |
|  |  |  |  |  |  |  |  |
| World Leading Cancer Care - National Bowel Cancer Screening Program - additional funding2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | 29 | 30 | 34 | 30 |
| **Total** | |  | **-** | **29** | **30** | **34** | **30** |
|  |  |  |  |  |  |  |  |
| Medicare Benefits Schedule - removing double billing2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | (829) | (1,492) | (1,599) |
| **Total** | |  | **-** | **-** | **(829)** | **(1,492)** | **(1,599)** |
|  |  |  |  |  |  |  |  |
| Medicare Benefits Schedule - realigning indexation with the financial year2 | | 2.1 |  |  |  |  |  |
|  | Administered expenses |  | - | (7,741) | (6,943) | (10,814) | (14,284) |
| **Total** | |  | **-** | **(7,741)** | **(6,943)** | **(10,814)** | **(14,284)** |
|  |  |  |  |  |  |  |  |
| Post-market surveillance - review of Alzheimers Disease medications2 | | 2.1 |  |  |  |  |  |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| Mental health services - expansion | | 2.1, 2.5 |  |  |  |  |  |
|  | Administered expenses |  | - | 380 | 6,998 | 8,759 | 10,934 |
|  | Departmental expenses |  | - | 640 | 849 | 894 | 1,007 |
| **Total** | |  | **-** | **1,020** | **7,847** | **9,653** | **11,941** |
|  |  |  |  |  |  |  |  |
| Pharmaceutical Benefits Scheme - price changes2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | 7 | 55 | 48 | 48 | 47 |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **7** | **55** | **48** | **48** | **47** |
|  |  |  |  |  |  |  |  |
| Pharmaceutical Benefits Scheme - new and amended listings2 | | 2.3 |  |  |  |  |  |
|  | Administered expenses |  | (507) | (1,450) | (1,471) | (1,505) | (1,538) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **(507)** | **(1,450)** | **(1,471)** | **(1,505)** | **(1,538)** |
|  |  |  |  |  |  |  |  |
| Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams1 | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | - | - | (37) | (333) | (721) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **(37)** | **(333)** | **(721)** |
|  |  |  |  |  |  |  |  |
| Residential aged care - improving access | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | - | 24 | 8 | (15) | (47) |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **24** | **8** | **(15)** | **(47)** |
|  |  |  |  |  |  |  |  |
| Living Longer, Living Better - addressing workforce pressures - aged care workforce supplement2 | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | - | 2,771 | 5,432 | 8,322 | 10,025 |
|  | Departmental expenses |  | - | 1,799 | 361 | 21 | - |
| **Total** | |  | **-** | **4,570** | **5,793** | **8,343** | **10,025** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| National Partnership on Home and Community Care Services to Veterans - redirection | | 2.4 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total Outcome 2** | |  |  |  |  |  |  |
|  | Administered |  | (501) | (5,933) | 3,239 | 3,008 | 2,846 |
|  | Departmental |  | - | 2,439 | 1,210 | 915 | 1,007 |
|  | **Total** |  | **(501)** | **(3,494)** | **4,449** | **3,923** | **3,853** |
|  |  |  |  |  |  |  |  |
| **Outcome 3** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Anzac Centenary Program 2014-18 - additional funding | | 3.1 |  |  |  |  |  |
|  | Administered expenses |  | - | 5,305 | 1,268 | 602 | 593 |
|  | Departmental expenses |  | - | 511 | 397 | 242 | 219 |
| **Total** | |  | **-** | **5,816** | **1,665** | **844** | **812** |
|  |  |  |  |  |  |  |  |
| Defence service commemorations by Inverell and Gunnedah - contribution | | 3.1 |  |  |  |  |  |
|  | Administered expenses |  | - | 120 | - | - | - |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **120** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Anzac Centenary Program 2014-18 - Local Grants Program - additional funding | | 3.1 |  |  |  |  |  |
|  | Administered expenses |  | (1,050) | 12,850 | (2,150) | (2,150) | - |
|  | Departmental expenses |  | (426) | 472 | (495) | (498) | - |
| **Total** | |  | **(1,476)** | **13,322** | **(2,645)** | **(2,648)** | **-** |
|  |  |  |  |  |  |  |  |
| Commemorations - National Boer War Memorial3 | | 3.1 |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | - | - | - | - |
| **Total** | |  | **-** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total Outcome 3** | |  |  |  |  |  |  |
|  | Administered |  | (1,050) | 18,275 | (882) | (1,548) | 593 |
|  | Departmental |  | (426) | 983 | (98) | (256) | 219 |
|  | **Total** |  | **(1,476)** | **19,258** | **(980)** | **(1,804)** | **812** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| Targeted savings - public service efficiencies4 | | All |  |  |  |  |  |
|  | Administered expenses |  | - | - | - | - | - |
|  | Departmental expenses |  | - | (598) | (646) | (707) | (603) |
| **Total** | |  | **-** | **(598)** | **(646)** | **(707)** | **(603)** |
|  |  |  |  |  |  |  |  |
| **Total Outcome All** | |  |  |  |  |  |  |
|  | Administered |  | - | - | - | - | - |
|  | Departmental |  | - | (598) | (646) | (707) | (603) |
|  | **Total** |  | **-** | **(598)** | **(646)** | **(707)** | **(603)** |
|  |  |  |  |  |  |  |  |
| **Total Expense Measures** | |  |  |  |  |  |  |
|  | Administered |  | (1,551) | 10,970 | (75) | 2,042 | 5,414 |
|  | Departmental |  | (426) | 4,365 | 1,848 | 993 | 1,633 |
|  | **Total** |  | **(1,977)** | **15,335** | **1,773** | **3,035** | **7,047** |
|  |  |  |  |  |  |  |  |
| **Capital Measures** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Pension Bonus Scheme - cease late registrations1 | | 1.1 |  |  |  |  |  |
|  | Departmental Capital |  | - | 183 | - | - | - |
| **Total** | |  | **-** | **183** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Supporting Senior Australians - Housing Help for Seniors - pilot1 | | 1.1 |  |  |  |  |  |
|  | Departmental Capital |  | - | 1,738 | - | - | - |
| **Total** | |  | **-** | **1,738** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams1 | | 1.1 |  |  |  |  |  |
|  | Departmental Capital |  | - | - | 1,564 | - | - |
| **Total** | |  | **-** | **-** | **1,564** | **-** | **-** |
|  |  |  |  |  | Continued on next page | | |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | |  |  |  |

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| Living Longer, Living Better - addressing workforce pressures - aged care workforce supplement2 | | 2.4 |  |  |  |  |  |
|  | Departmental Capital |  | - | 1,481 | - | - | - |
| **Total** | |  | **-** | **1,481** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| Mental health services - expansion | | 2.5 |  |  |  |  |  |
|  | Departmental Capital |  | - | 859 | - | - | - |
| **Total** | |  | **-** | **859** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total capital measures** | |  |  |  |  |  |  |
|  | Departmental |  | - | 4,261 | 1,564 | - | - |
|  |  | **Total** | **-** | **4,261** | **1,564** | **-** | **-** |
| Prepared on a Government Finance Statistics (fiscal) basis | | | | | |  |  |

1. The lead agency for this measure is the Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA). The full measure description and package details appear in BP 2 under the FAHCSIA portfolio.
2. The lead agency for this measure is the Department of Health and Ageing (DoHA). The full measure description and package details appear in BP 2 under the DoHA portfolio.
3. Funding for this measure is to be provided from DVA’s existing resources.
4. This measure was announced in the 2012-13 MYEFO but not previously reported in a portfolio statement.

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 programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, 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.
* Secure continuing access to home loan and insurance services for eligible members of the veteran and defence force communities.
* 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.
* Continue to implement the recommendations from the review of DVA-funded Ex-service Organisation Advocacy and Welfare Services.
* 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 program.

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. | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 1.1: Veterans' Income Support and Allowances** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 2,842,902 | 2,835,577 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 47,761 | 48,383 |
|  | Expenses not requiring appropriation in the Budget year2 | 4,360 | 4,468 |
|  | **Total for Program 1.1** | **2,895,023** | **2,888,428** |
|  |  |  |  |
| **Program 1.2: Veterans' Disability Support** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 10,183 | 10,154 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,521,290 | 1,536,688 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 39,201 | 38,653 |
|  | Expenses not requiring appropriation in the Budget year2 | 3,593 | 3,683 |
|  | **Total for Program 1.2** | **1,574,267** | **1,589,178** |
|  |  | Continued on next page | |

Table 2.1: Budgeted Expenses for Outcome 1 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1:** | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 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 | 1,842,845 | 1,848,633 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 10,661 | 10,513 |
|  | Expenses not requiring appropriation in the Budget year2 | 977 | 1,002 |
|  | **Total for Program 1.3** | **1,854,483** | **1,860,148** |
|  |  |  |  |
| **Program 1.4: Assistance and Other Compensation for Veterans and Dependants** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 7,065 | 7,175 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 26,736 | 24,931 |
| Departmental Expenses | |  |  |
|  | Special Accounts3 | 35,384 | 33,349 |
|  | Departmental appropriation1 | 18,069 | 17,807 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,228 | 1,259 |
|  | **Total for Program 1.4** | **88,482** | **84,521** |
|  |  |  |  |
| **Program 1.5: Veterans' Children Education Scheme** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 16,132 | 16,078 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 2,543 | 2,506 |
|  | Expenses not requiring appropriation in the Budget year2 | 233 | 239 |
|  | **Total for Program 1.5** | **18,908** | **18,823** |
|  |  | Continued on next page | |

Table 2.1: Budgeted Expenses for Outcome 1 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1:** | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 3,938 | 3,915 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 280,511 | 283,709 |
|  | Special Accounts | 285 | 499 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 30,725 | 30,298 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,817 | 2,888 |
|  | **Total for Program 1.6** | **318,276** | **321,309** |
| **Program 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 | 210,700 | 164,500 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | - | - |
|  | Expenses not requiring appropriation in the Budget year2 | - | - |
|  | **Total for Program 1.7** | **210,700** | **164,500** |
|  |  |  |  |
| **Outcome 1 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 37,318 | 37,322 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 6,514,284 | 6,529,538 |
|  | Special Accounts | 285 | 499 |
|  | Expenses not requiring appropriation in the Budget year | 210,700 | 164,500 |
| Departmental Expenses | |  |  |
|  | Special Accounts | 38,833 | 33,349 |
|  | Departmental appropriation1 | 148,960 | 148,160 |
|  | Expenses not requiring appropriation in the Budget year2 | 13,208 | 13,539 |
| **Total Expenses for Outcome 1** | | **6,963,588** | **6,926,907** |
|  |  | 2012-13 | 2013-14 |
| **Average Staffing Level (number)** | | 990 | 988 |

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

|  |
| --- |
| **Program 1.1: Veterans' Income Support and Allowances** |
|  |
| **Program 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 Families, Housing, Community Services and Indigenous Affairs * 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 program is linked to the Department of Families, Housing, Community Services and Indigenous Affairs’ (FaHCSIA’s) Program 2.1 – Housing Assistance and Homelessness Prevention, Program 4.1 – Income Support for Seniors, Program 4.2 – Allowances, Concessions and Services for Seniors and Department of Human Services Program 1.1 – Services to the Community. |
|  |
| **Program 1.1 expenses**  As the veteran population continues to age, program expenses are expected to fall in real  terms over the forward years. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Income support pensions | 2,811,244 | 2,802,032 | 2,709,890 | 2,647,258 | 2,548,075 |
|  |  | Other allowances | 31,658 | 33,545 | 32,132 | 31,437 | 31,525 |
|  | Program support | | 47,761 | 48,383 | 47,332 | 46,397 | 46,237 |
|  | Expenses not requiring appropriation in the Budget year | | 4,360 | 4,468 | 4,552 | 4,555 | 4,529 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **2,895,023** | **2,888,428** | **2,793,906** | **2,729,647** | **2,630,366** |

|  |
| --- |
| **Program 1.1: Veterans' Income Support and Allowances** **(continued)** |
|  |
| **Program 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 program 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. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| New claims processed | 9,891 | 8,812 | 7,715 | 7,269 | 6,201 |
| Pensioner initiated reviews processed | 87,107 | 81,494 | 80,547 | 73,740 | 74,189 |
| *Quantity:* Number of income support beneficiaries | 235,400 | 221,700 | 208,400 | 195,800 | 183,800 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Program 1.1 key performance indicators**  The following KPIs measure the impact of the Program: | | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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* | 203 | 218 | 227 | 237 | 252 |
| *Quality: Critical error rate for income support processing* | <5% | <5% | <5% | <5% | <5% |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.2: Veterans' Disability Support** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 program 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 Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 1.2 expenses**  Numbers of disability pensioners are expected to reduce by approximately 5% per year over the forward years. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual Administered Expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Medical examinations, fares and expenses | 9,392 | 9,364 | 9,346 | 9,336 | 9,523 |
|  |  | Repayments of maintenance deductions | 71 | 71 | 71 | 71 | 71 |
|  |  | Vehicle Assistance Scheme | 720 | 719 | 719 | 719 | 719 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Disability pensions | 1,518,487 | 1,534,212 | 1,525,579 | 1,527,535 | 1,527,996 |
|  |  | Loss of earnings | 421 | 422 | 423 | 423 | 432 |
|  |  | Recreation transport allowance | 2,382 | 2,054 | 1,774 | 1,534 | 1,329 |
| Program support | | | 39,201 | 38,653 | 37,987 | 37,638 | 37,599 |
| Expenses not requiring appropriation in the Budget year | | | 3,593 | 3,683 | 3,752 | 3,754 | 3,733 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **1,574,267** | **1,589,178** | **1,579,651** | **1,581,010** | **1,581,402** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.2: Veterans' Disability Support (continued)** | | | | | |
|  | | | | | |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of disability pensioners | 105,400 | 100,300 | 95,600 | 91,500 | 87,700 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.2 key performance indicators**   * The following KPIs measure the impact of the Program: | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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:* Average cost per disability pensioner | 372 | 385 | 397 | 411 | 429 |
| *Quality*: Critical errors | <5% | <5% | <5% | <5% | <5% |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.3: Assistance to Defence Widow/ers and Dependants** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | 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 | 1,842,845 | 1,848,633 | 1,798,185 | 1,746,047 | 1,672,745 |
| Program support | | | 10,661 | 10,513 | 10,332 | 10,236 | 10,227 |
| Expenses not requiring appropriation in the Budget year | | | 977 | 1,002 | 1,021 | 1,021 | 1,015 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **1,854,483** | **1,860,148** | **1,809,538** | **1,757,304** | **1,683,987** |

|  |
| --- |
| **Program 1.3: Assistance to Defence Widow/ers and Dependants (continued)** |
|  |
| **Program 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. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of war and Defence widows/ers pensioners | 87,100 | 82,200 | 76,900 | 71,500 | 66,100 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Program 1.3 key performance indicators**  The following KPIs measure the impact of the Program: | | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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 | 122 | 128 | 134 | 143 | 155 |
| *Quality*: Critical errors | < 5% | < 5% | < 5% | < 5% | < 5% |

|  |
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| **Program 1.4: Assistance and Other Compensation for Veterans and Dependants** |
|  |
| **Program 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 Program 1.1 – Services to the Community. |
|  |
| **Program 1.4 expenses**  This program 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. |

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.4 expenses** | | | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Legal Expenses | 1,560 | 1,850 | 1,597 | 1,591 | 1,623 |
|  |  | Defective Administration | 665 | 350 | 140 | 140 | 99 |
|  |  | Payments to ESOs (BEST & TIP) | 3,669 | 3,788 | 3,781 | 3,769 | 3,845 |
|  |  | Veterans' Access to Community Information | 1,093 | 1,109 | 1,108 | 1,104 | 1,126 |
|  |  | Act of Grace | 78 | 78 | 78 | 78 | 80 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Funeral benefits | 14,031 | 13,578 | 13,143 | 12,725 | 12,324 |
|  |  | POW (J) | 25 | 25 | 25 | 25 | 25 |
|  |  | POW (E) | 9,504 | 7,825 | 6,377 | 5,130 | 4,081 |
|  |  | Compensation payments for BCAL veterans | 988 | 834 | 710 | 611 | 531 |
|  | *Papua New Guinea (Members of the Forces Benefits) Act 1957* | |  |  |  |  |  |
|  |  | PNG pensions | 65 | 70 | 70 | 70 | 70 |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Compensation for certain AFP personnel with overseas service | - | 1,173 | 1,172 | 1,172 | 1,201 |
|  | *Defence Service Homes Act 1918* | |  |  |  |  |  |
|  |  | Interest subsidy | 2,123 | 1,426 | 1,206 | 1,025 | 874 |
| Special Account expenses: | | |  |  |  |  |  |
|  |  | DSHIS | 35,384 | 33,349 | 36,368 | 39,671 | 43,287 |
| Program support | | | 18,069 | 17,807 | 17,578 | 17,459 | 17,447 |
| Expenses not requiring appropriation in the Budget year | | | 1,228 | 1,259 | 1,283 | 1,283 | 1,276 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **88,482** | **84,521** | **84,636** | **85,853** | **87,889** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Program 1.4: Assistance and Other Compensation for Veterans and Dependants (continued)** | | | | | | |
|  | | | | | | |
| **Program 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 | | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Funeral benefit processed $'000 | 14,031 | 13,578 | 13,143 | 12,725 | 12,324 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.4 key performance indicators**   * The following KPIs measure the impact of the Program: | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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% |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.5: Veterans' Children Education Scheme** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | *Appropriation Bill 1* | |  |  |  |  |  |
|  |  | Veterans' Children Education Scheme | 16,132 | 16,078 | 15,816 | 15,590 | 15,779 |
| Program support | | | 2,543 | 2,506 | 2,464 | 2,441 | 2,438 |
| Expenses not requiring appropriation in the Budget year | | | 233 | 239 | 243 | 243 | 242 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **18,908** | **18,823** | **18,523** | **18,274** | **18,459** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.5 deliverables**  Process new claims under VCES and MRCAETS.  Deliver financial assistance and allowances to eligible students. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of primary students receiving assistance | 717 | 715 | 713 | 711 | 709 |
|  |  |  |  |  |  |
| *Quantity:* Number of secondary students receiving assistance | 1,401 | 1,404 | 1,407 | 1,410 | 1,413 |
|  |  |  |  |  |  |
| *Quantity:* Number of tertiary students receiving assistance | 920 | 897 | 875 | 853 | 831 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.5 key performance indicators**  The following KPI measures the impact of the Program: | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quality*: Critical errors | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation** | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | 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 | 3,107 | 3,071 | 3,044 | 3,019 | 3,096 |
|  |  | Other income support and compensation-related payments - MRCA | 831 | 844 | 843 | 843 | 863 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Permanent impairment | 39,736 | 36,675 | 33,847 | 31,279 | 32,060 |
|  |  | Benefits for eligible dependants | 16,316 | 16,253 | 15,689 | 15,219 | 14,762 |
|  |  | Incapacity payments | 71,889 | 66,291 | 63,222 | 61,185 | 63,269 |
|  |  | Medical examinations | 3,919 | 3,483 | 3,377 | 3,275 | 3,339 |
|  |  | Death payments | 2,609 | 2,593 | 2,511 | 2,407 | 2,505 |
|  |  | Other income support and compensation-related payments | 365 | 363 | 362 | 363 | 372 |
|  | *Military Rehabilitation and Compensation Act 2004* | |  |  |  |  |  |
|  |  | Permanent impairment | 71,687 | 74,742 | 81,380 | 88,459 | 90,672 |
|  |  | Benefits for eligible dependants | 7,492 | 7,953 | 8,315 | 8,715 | 9,064 |
|  |  | Income maintenance payments | 60,703 | 69,248 | 79,258 | 90,415 | 94,031 |
|  |  | Medical examinations | 5,758 | 6,071 | 6,952 | 7,838 | 7,995 |
|  |  | Other income support and compensation-related payments | 37 | 37 | 37 | 37 | 37 |
| Special Account Expenses: | | |  |  |  |  |  |
|  |  | Military death claim compensation | 285 | 499 | 200 | 276 | 276 |
| Program support | | | 30,725 | 30,298 | 29,775 | 29,502 | 29,471 |
| Expenses not requiring appropriation in the Budget year | | | 2,817 | 2,888 | 2,942 | 2,942 | 2,926 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **318,276** | **321,309** | **331,754** | **345,774** | **354,738** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation (continued)** | | | | | |
|  | | | | | |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Quantity: Number of incapacity payees under the SRCA | 2,403 | 2,343 | 2,286 | 2,229 | 2,172 |
|  |  |  |  |  |  |
| Quantity: Number of claims resulting in lump sum payments made under SRCA | 1,129 | 1,136 | 1,143 | 1,150 | 1,157 |
|  |  |  |  |  |  |
| Quantity: Number of incapacity payees under the MRCA | 2,728 | 3,534 | 4,580 | 5,936 | 7,693 |
|  |  |  |  |  |  |
| Quantity: Number of clients receiving lump sum payments made under MRCA | 643 | 723 | 814 | 917 | 1,033 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.6 key performance indicators**   * The following KPIs measure the impact of the Program: | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quality:* Critical errors SRCA incapacity payments | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Timeliness:* Mean number of days to determine a claim under the SRCA | 120 | 120 | 120 | 120 | 120 |
|  |  |  |  |  |  |
| *Quality:* Critical errors SRCA lump sums | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Quality:* Critical errors MRCA incapacity payments | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |
| *Timeliness:* Mean number of days to determine a claim under the MRCA | 120 | 120 | 120 | 120 | 120 |
|  |  |  |  |  |  |
| *Quality:* Critical errors MRCA lump sums | < 5% | < 5% | < 5% | < 5% | < 5% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation** | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | 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 year | | | 210,700 | 164,500 | 179,300 | 194,800 | 194,800 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **210,700** | **164,500** | **179,300** | **194,800** | **194,800** |

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.
* Implement a new Veteran Mental Health Strategy, to set the strategic objectives and priorities for veteran mental health and wellbeing for the next decade.
* Implement new Strengthening Veteran Mental Health measures to strengthen access to high quality mental health services, including in the context of the forthcoming draw down in Afghanistan.
* 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 program.

**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. | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 2.1: General Medical Consultations and Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 927,599 | 915,713 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 23,314 | 23,480 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,137 | 2,266 |
|  | **Total for Program 2.1** | **953,050** | **941,459** |
|  |  |  |  |
| **Program 2.2: Veterans' Hospital Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,696,049 | 1,663,558 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 11,195 | 11,273 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,026 | 1,088 |
|  | **Total for Program 2.2** | **1,708,270** | **1,675,919** |
|  |  |  |  |
| **Program 2.3: Veterans' Pharmaceuticals Benefits** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | - | - |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 448,793 | 414,849 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 1,542 | 1,553 |
|  | Expenses not requiring appropriation in the Budget year2 | 141 | 150 |
|  | **Total for Program 2.3** | **450,476** | **416,552** |
|  |  | Continued on next page | |

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 2:** | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 2.4: Veterans' Community Care and Support** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 3,049 | 3,170 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 1,599,895 | 1,691,716 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 26,336 | 26,524 |
|  | Expenses not requiring appropriation in the Budget year2 | 2,414 | 2,560 |
|  | **Total for Program 2.4** | **1,631,694** | **1,723,970** |
|  |  |  |  |
| **Program 2.5: Veterans' Counselling and Other Health Services** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 3,838 | 4,245 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 585,175 | 614,149 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 42,377 | 45,399 |
|  | Expenses not requiring appropriation in the Budget year2 | 3,774 | 4,001 |
|  | **Total for Program 2.5** | **635,164** | **667,794** |
|  |  |  |  |
| **Program 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 | 60,855 | 63,983 |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 19,521 | 19,659 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,789 | 1,897 |
|  | **Total for Program 2.6** | **82,165** | **85,539** |
|  |  | Continued on next page | |

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 2:** | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 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 | 62,100 | 48,200 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | - | - |
|  | Expenses not requiring appropriation in the Budget year2 | - | - |
|  | **Total for Program 2.7** | **62,100** | **48,200** |
|  |  |  |  |
| **Outcome 2 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 6,887 | 7,415 |
|  | Other services (Appropriation Bill No. 2) | - | - |
|  | Special Appropriations | 5,318,366 | 5,363,968 |
|  | Special Accounts | - | - |
|  | Expenses not requiring appropriation in the Budget year | 62,100 | 48,200 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 124,285 | 127,888 |
|  | Expenses not requiring appropriation in the Budget year2 | 11,281 | 11,962 |
| **Total expenses for Outcome 2** | | **5,522,919** | **5,559,433** |
|  |  | 2012-13 | 2013-14 |
| **Average Staffing Level (number)** | | 772 | 778 |
|  |  |  |  |

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.

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

|  |
| --- |
| **Program 2.1: General Medical Consultations and Services** |
|  |
| **Program 2.1 objective**  Provide access to general and specialist medical and dental services to entitled DVA beneficiaries. |
| **Linked to:**  This program is linked to the Department of Human Services’ Program 1.1 – Services to the Community and the Department of Health and Ageing’s Program 12.1 Workforce and Rural Distribution. |
|  |
| **Program 2.1 expenses**  Expenditure for general and specialist medical and dental consultations in forward years is expected to increase by approximately 1.5% per year against a reducing treatment population. It is expected that the effect of the decline in treatment population will be offset by an expected increase in service usage by an ageing veteran population.  Expenditure growth on medical and dental services is driven by an ageing veteran population as they access a greater number of services.  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. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | LMO consultations | 161,070 | 155,311 | 151,312 | 146,074 | 143,944 |
|  |  | Specialist consultations | 156,499 | 153,250 | 156,460 | 156,018 | 157,606 |
|  |  | Medical services | 506,863 | 504,526 | 502,172 | 500,323 | 503,902 |
|  |  | Dental | 103,167 | 102,626 | 102,089 | 101,654 | 102,324 |
| Program support | | | 23,314 | 23,480 | 23,238 | 23,230 | 23,570 |
| Expenses not requiring appropriation in the Budget year | | | 2,137 | 2,266 | 2,307 | 2,334 | 2,349 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **953,050** | **941,459** | **937,578** | **929,633** | **933,695** |

|  |
| --- |
| **Program 2.1: General Medical Consultations and Services (continued)** |
|  |
| **Program 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. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 222,500 | 211,000 | 199,800 | 189,100 | 179,000 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 105 | 111 | 116 | 123 | 132 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 2.2: Veterans' Hospital Services** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 program is linked to the Department of Human Services’ Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 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 program are offset by the decreasing treatment population.  Public hospitals – agreements are in place with state and territory health authorities for the treatment of entitled beneficiaries in public hospitals.  Private hospitals – contracts are in place with a number of private hospital operators for the provision of services for beneficiaries.  Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Public hospitals | 786,044 | 766,577 | 768,372 | 769,219 | 783,064 |
|  |  | Private hospitals | 904,798 | 891,582 | 879,177 | 865,761 | 868,124 |
|  |  | Psych | 1 | 1 | 1 | 1 | 1 |
|  |  | Nursing homes (POW) | 5,206 | 5,398 | 5,575 | 5,722 | 5,826 |
| Program support | | | 11,195 | 11,273 | 11,158 | 11,154 | 11,316 |
| Expenses not requiring appropriation in the Budget year | | | 1,026 | 1,088 | 1,108 | 1,121 | 1,128 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **1,708,270** | **1,675,919** | **1,665,391** | **1,652,978** | **1,669,459** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 2.2: Veterans' Hospital Services (continued)** | | | | | |
|  | | | | | |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 222,500 | 211,000 | 199,800 | 189,100 | 179,000 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price*: Unit cost per cardholder | 50 | 53 | 56 | 59 | 63 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 2.3: Veterans' Pharmaceuticals Benefits** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 program is linked to the Department of Human Services’ Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 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 scheme.  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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Pharmaceutical services | 448,793 | 414,849 | 394,777 | 370,833 | 370,159 |
| Program support | | | 1,542 | 1,553 | 1,538 | 1,536 | 1,559 |
| Expenses not requiring appropriation in the Budget year | | | 141 | 150 | 153 | 154 | 155 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **450,476** | **416,552** | **396,468** | **372,523** | **371,873** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Treatment Population | 222,500 | 211,000 | 199,800 | 189,100 | 179,000 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 2.3: Veterans' Pharmaceuticals Benefits (continued)** | | | | | |
|  | | | | | |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 7 | 7 | 8 | 8 | 9 |
|  |  |  |  |  |  |

|  |
| --- |
| **Program 2.4: Veterans' Community Care and Support** |
|  |
| **Program 2.4 objective**  The program’s primary objective is to effectively manage community support and residential care programs, including development and review of policy and operational guidelines and procedures, and assessment of program effectiveness.  Veteran community care and support programs include the Veterans’ Home Care program, the Community Nursing program and the provision of the Australian Government subsidy for entitled veterans and war widow/ers living in residential care facilities.  The objectives of these programs 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. |
| **Linked to:**  This program is linked to the Department of Human Services’ Program 1.1 – Services to the Community, the Department of Health and Ageing’s Program 4.4 – Residential and Flexible Care and the Department of Treasury’s Program 1.10 – National Partnership Payments to the States. |
|  |
| **Program 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 administers 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 2013-14 under program 1.10 – National Partnership Payments to the States. |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 2.4: Veterans' Community Care and Support (continued)** | | | | | | | | |
| **Program 2.4 expenses** | | | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | 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 | 741 | 789 | 788 | 786 | 800 |
|  |  | Joint Venture Grants | 1,353 | 1,388 | 1,389 | 1,386 | 1,411 |
|  |  | JV Day Clubs | 471 | 485 | 487 | 485 | 494 |
|  |  | JV Home Maintenance | 339 | 363 | 364 | 363 | 369 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Residential care | 1,357,398 | 1,430,212 | 1,535,499 | 1,663,474 | 1,766,964 |
|  |  | Community nursing | 130,850 | 139,538 | 151,928 | 165,360 | 180,459 |
|  |  | Veterans' Home Care | 91,393 | 99,266 | 100,155 | 101,004 | 103,543 |
|  |  | In-home respite | 19,158 | 21,287 | 21,442 | 21,579 | 22,011 |
|  |  | Carer and volunteer support | 1,096 | 1,413 | 1,403 | 1,404 | 1,436 |
| Program support | | | 26,336 | 26,524 | 26,250 | 26,242 | 26,625 |
| Expenses not requiring appropriation in the Budget year | | | 2,414 | 2,560 | 2,607 | 2,637 | 2,653 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **1,631,694** | **1,723,970** | **1,842,457** | **1,984,865** | **2,106,910** |

|  |
| --- |
| **Program 2.4 deliverables**  Veterans’ Home Care (VHC)   * The VHC program 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 program 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 177 organisations across Australia to assess veterans and war widow/ers for VHC services and to deliver those services. It is estimated that around 67,500 veterans and war widow/ers will receive VHC services in 2013-14, with the average annual cost of services (including in-home respite care) being approximately $1,400 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 program 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 program include the provision of clinical nursing and personal care services by DVA contracted community nursing providers. * The Department contracts with around 193 organisations across Australia to provide community nursing services to approximately 30,000 eligible veterans and war widow/ers.   Residential care   * Approximately $1.4 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 2013-14. This supports approximately 27,000 entitled veterans in residential care. |

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Program 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. | | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 113 | 120 | 125 | 132 | 142 |
|  |  |  |  |  |  |

|  |
| --- |
| Program 2.5: Veterans' Counselling and Other Health Services |

|  |
| --- |
| **Program 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 program is linked to the Department of Human Services’ Program 1.1 – Services to the Community. |
|  |
| **Program 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 expected 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. |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Program 2.5: Veterans' Counselling and Other Health Services (continued) | | | | | | | | |
| **Program 2.5 expenses** | | | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual Administered Expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Counselling support & children's assistance | 770 | 1,114 | 1,490 | 1,479 | 1,222 |
|  |  | Legal expenses | 54 | 55 | 55 | 55 | 56 |
|  |  | Veterans' employment & training | 573 | 571 | 570 | 570 | 585 |
|  |  | Health & medical research | 2,441 | 2,505 | 2,507 | 2,501 | 2,547 |
| Special Appropriations: | | |  |  |  |  |  |
|  | *Veterans' Entitlements Act 1986 (VEA)* | |  |  |  |  |  |
|  |  | Travel for treatment | 158,993 | 176,642 | 177,921 | 178,892 | 181,081 |
|  |  | Subsistence | 6,690 | 6,778 | 6,866 | 6,962 | 7,060 |
|  |  | Veterans and veterans' families counselling services | 26,186 | 26,413 | 27,492 | 28,505 | 30,451 |
|  |  | Non-institutional care - services | 152,259 | 163,999 | 181,593 | 196,482 | 199,815 |
|  |  | Non-institutional care - products | 65,056 | 62,200 | 59,344 | 56,528 | 54,363 |
|  |  | Rehabilitation appliances | 165,923 | 167,850 | 171,000 | 175,171 | 178,175 |
|  |  | Health treatment for BCAL veterans | 9,662 | 9,633 | 9,615 | 9,597 | 9,787 |
|  | *Australian Participants in British Nuclear Tests (Treatment) Act 2006* | |  |  |  |  |  |
|  |  | Nuclear test health care payments | 406 | 274 | 238 | 209 | 213 |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Health care and rehabilitation for certain AFP personnel with overseas service | - | 360 | 380 | 380 | 391 |
| Program support | | | 42,377 | 45,399 | 43,834 | 43,707 | 44,479 |
| Expenses not requiring appropriation in the Budget year | | | 3,774 | 4,001 | 4,075 | 4,122 | 4,147 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **635,164** | **667,794** | **686,980** | **705,160** | **714,372** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 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 program intervention. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| Health Treatment Card Holder Population | 222,500 | 211,000 | 199,800 | 189,100 | 179,000 |
|  |  |  |  |  |  |
| ***Travel for Treatment:*** |  |  |  |  |  |
|  |  |  |  |  |  |
| Number of processed claims for reimbursement | 143,997 | 137,258 | 132,000 | 125,000 | 125,000 |
|  |  |  |  |  |  |
| Number of DVA arranged person trips | 881,191 | 903,220 | 910,000 | 932,000 | 932,000 |
|  |  |  |  |  |  |
| ***Veteran Counselling:*** |  |  |  |  |  |
| Number of unique clients receiving intake referral services | 12,400 | 12,500 | 12,985 | 13,139 | 13,370 |
|  |  |  |  |  |  |
| Number of unique clients in receipt of counselling | 10,500 | 10,800 | 11,485 | 11,839 | 12,070 |
|  |  |  |  |  |  |
| Number of counselling sessions delivered | 62,000 | 63,000 | 66,310 | 67,234 | 68,620 |
|  |  |  |  |  |  |
| Number of calls received by the After Hours Counselling service | 6,300 | 6,700 | 7,115 | 7,412 | 7,481 |
|  |  |  |  |  |  |
| Number of unique clients receiving group program intervention | 3,200 | 3,200 | 3,315 | 3,362 | 3,431 |
|  |  |  |  |  |  |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 2.5 key performance indicators**  The following KPIs measure the impact of the Program:   * 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Key Performance | Revised | Budget | Forward | Forward | Forward |
| Indicators | budget | target | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Price:* Unit cost per cardholder | 190 | 215 | 219 | 231 | 248 |
|  |  |  |  |  |  |
| ***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 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services** | | | | | | | | |
|  | | | | | | | | |
| **Program 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 program is linked to the Department of Human Services’ Program 1.1 – Services to the Community. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| **Special Appropriations:** | | |  |  |  |  |  |
|  | *Safety, Rehabilitation and Compensation Act 1988* | |  |  |  |  |  |
|  |  | Medical services | 20,949 | 20,996 | 20,657 | 20,637 | 21,050 |
|  |  | Rehabilitation services | 6,972 | 7,364 | 7,250 | 7,143 | 7,287 |
|  |  | Other services | 9,172 | 9,156 | 9,236 | 9,327 | 9,513 |
|  | *Military Rehabilitation and Compensation Act 2004* | |  |  |  |  |  |
|  |  | Medical services | 15,820 | 18,351 | 21,287 | 24,718 | 28,672 |
|  |  | Rehabilitation services | 6,495 | 6,922 | 7,863 | 8,706 | 8,880 |
|  |  | Other services | 1,447 | 1,194 | 1,589 | 1,886 | 1,923 |
| Program support | | | 19,521 | 19,659 | 19,457 | 19,450 | 19,735 |
| Expenses not requiring appropriation in the Budget year | | | 1,789 | 1,897 | 1,932 | 1,955 | 1,967 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **82,165** | **85,539** | **89,271** | **93,822** | **99,027** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services (continued)** | | | | | |
|  | | | | | |
| **Program 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. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | Revised | Budget | Forward | Forward | Forward |
| Deliverables | budget |  | year 1 | year 2 | year 3 |
|  |  |  |  |  |  |
| *Quantity:* Number of SRCA rehabilitation assessments | 805 | 764 | 724 | 686 | 650 |
|  |  |  |  |  |  |
| *Quantity:* Number of SRCA medical and treatment accounts paid | 105,133 | 100,928 | 96,891 | 93,015 | 89,400 |
|  |  |  |  |  |  |
| *Quantity:* Number of MRCA rehabilitation assessments | 684 | 773 | 873 | 986 | 1,100 |
|  |  |  |  |  |  |
| *Quantity:* Number of MRCA medical and treatment accounts paid | 21,164 | 25,317 | 30,284 | 36,220 | 42,500 |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 2.6 key performance indicators**  The following KPIs measure the impact of the Program: | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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% |
|  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services** | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  | | | | | | | | |
| **Program 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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Administered Expenses | | |  |  |  |  |  |
| Expenses not requiring appropriation in the Budget year | | | 62,100 | 48,200 | 51,000 | 53,800 | 53,800 |
| **Total program expenses** | | | **62,100** | **48,200** | **51,000** | **53,800** | **53,800** |

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 programs, 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 program.

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. | | 2012-13 | 2013-14 |
| Estimated | Estimated |
| actual | expenses |
| expenses |  |
| $'000 | $'000 |
| **Program 3.1: War Graves and Commemorations** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 28,345 | 59,164 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | 1 | 1 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 19,924 | 21,221 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,830 | 1,999 |
|  | **Total for Program 3.1** | **50,100** | **82,385** |
|  |  |  |  |
| **Program 3.2: Gallipoli-related Activities** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 3,261 | 3,381 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | - | - |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 1,288 | 1,281 |
|  | Expenses not requiring appropriation in the Budget year2 | 116 | 127 |
|  | **Total for Program 3.2** | **4,665** | **4,789** |
|  |  |  |  |
| **Outcome 3 Totals by appropriation type** | |  |  |
| Administered Expenses | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1 & 3) | 31,606 | 62,545 |
|  | Other services (Appropriation Bill No. 2 & 4) | - | - |
|  | Special Appropriations | - | - |
|  | Special Accounts | 1 | 1 |
| Departmental Expenses | |  |  |
|  | Departmental appropriation1 | 21,212 | 22,502 |
|  | Expenses not requiring appropriation in the Budget year2 | 1,946 | 2,126 |
| **Total expenses for Outcome 3** | | **54,765** | **87,174** |
|  |  | 2012-13 | 2013-14 |
| **Average Staffing Level (number)** | | 152 | 158 |
|  |  |  |  |

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

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

|  |
| --- |
| **Program 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. |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 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 program, *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 major anniversaries will occur this year. These include the 45th anniversaries of battles in the Vietnam War (2013-14), the 60th anniversary of the Korean War armistice (2013), Second World War 70th anniversaries of the battles in the New Guinea campaign (2013-14), and the First World War 95th anniversaries of battles on the Western Front, the Middle East and the Armistice (2013).  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. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 11 | |  |  |  |  |  |
|  |  | War graves care & maintenance | 18,868 | 21,897 | 17,030 | 12,959 | 13,247 |
|  |  | OAWG refurbishment, reconstruction & relocation | 981 | 1,006 | 1,005 | 1,005 | 1,030 |
|  |  | Legal expenses | 5 | 5 | 5 | 5 | 5 |
|  |  | Veterans' commemorative activities | 8,491 | 36,256 | 15,075 | 10,622 | 8,686 |
| Special Account Expenses: | | |  |  |  |  |  |
|  |  | Australians at War | 1 | 1 | 1 | 1 | - |
| Program support | | | 19,924 | 21,221 | 20,007 | 18,373 | 18,576 |
| Expenses not requiring appropriation in the Budget year | | | 1,830 | 1,999 | 1,962 | 1,827 | 1,826 |
| **Total program expenses** | | | **50,100** | **82,385** | **55,085** | **44,792** | **43,370** |
| 1 | | Refer to the Movement of Funds Table 3.1.1 | | |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Program 3.1: War Graves and Commemorations (continued) | | | | | |
|  | | | | | |
| **Program 3.1 deliverables**   * Develop and implement commemorative initiatives and provide support and funding under the commemorations program, *Saluting Their Service*. * Promote community involvement in commemorations programs, 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” program for recipients of the Victoria Cross, George Cross and Cross of Valour. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | 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 | 20,966 | 20,971 | 20,971 | 20,971 | 20,971 |
| Overseas Graves (non world wars) | 1,043 | 1,043 | 1,043 | 1,043 | 1,043 |
| Post War Commemorations | 305,374 | 309,750 | 313,871 | 317,737 | 321,348 |
|  |  |  |  |  |  |
| Provide new Post War Commemorations | 4,376 | 4,121 | 3,866 | 3,611 | 3,356 |
|  |  |  |  |  |  |
| Manage national memorials overseas | 36 | 36 | 37 | 37 | 37 |
|  |  |  |  |  |  |
| Implement War Graves related projects | 3 | 3 | 2 | - | - |
|  |  |  |  |  |  |
| Community awareness and education resources | 399,186 | 439,000 | 483,000 | 531,000 | 584,000 |
|  |  |  |  |  |  |
| Grants applications processed | 445 | 1,908 | 508 | 508 | 508 |
|  |  |  |  |  |  |
| Domestic commemorative events | 2 | 3 | 3 | 3 | 3 |
|  |  |  |  |  |  |
| International commemorative events (excludes Gallipoli, includes Villers-Bretonneux) | 8 | 3 | 3 | 3 | 3 |

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

|  |  |
| --- | --- |
| **Program 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.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 3.2: Gallipoli-related Activities** | | | | | | | | |
|  | | | | | | | | |
| **Program 3.2 objective**  Coordinate and manage the delivery of annual commemorative and related activities at Gallipoli*.* | | | | | | | | |
|  | | | | | | | | |
| **Program 3.2 expenses**  The Department is the lead government agency responsible for the planning and conduct of annual Anzac Day commemorations at Gallipoli. | | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
| $('000) | | | budget |  | year 1 | year 2 | year 3 |
| Annual administered expenses: | | |  |  |  |  |  |
|  | Appropriation Bill 1 | |  |  |  |  |  |
|  |  | Gallipoli-related activities1 | 3,261 | 3,381 | 6,590 | 3,068 | 3,145 |
| Program support | | | 1,288 | 1,281 | 1,272 | 1,179 | 1,162 |
| Expenses not requiring appropriation in the Budget year | | | 116 | 127 | 124 | 116 | 116 |
|  |  |  |  |  |  |  |  |
| **Total program expenses** | | | **4,665** | **4,789** | **7,986** | **4,363** | **4,423** |

1. Refer to the Movement of Funds table 3.1.1.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Program 3.2 deliverables**  Planning for and conduct of annual Anzac Day services and management of related reviews and research. | | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | 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 | 2,993 | 3,113 | 6,590 | 3,068 | 3,145 |
| Manage Gallipoli related works | 268 | 268 | - | - | - |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 3.2 key performance targets**  Deliver commemorative and associated activities at Gallipoli. | | | | | |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| 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 2013-14 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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Outcome 3:** |  |  |  |  |  |
| Program 3.1 War Graves and Commemorations - Construction of an Australian Memorial in Wellington, New Zealand1 | (3,139) | (479) | 3,583 | 35 | - |
|  |  |  |  |  |  |
| Program 3.1 War Graves and Commemorations - Australian Remembrance Trail Western Front2 | (1,623) | 1,200 | 423 | - | - |
|  |  |  |  |  |  |
| Program 3.1 War Graves and Commemorations - Contribution to the Vietnam Veterans' Education Centre, Washington3 | (480) | 380 | 100 | - | - |
|  |  |  |  |  |  |
| Program 3.1 War Graves and Commemorations - Albany Interpretive Centre4 | (1,750) | 1,750 | - | - | - |
|  |  |  |  |  |  |
| Program 3.1 War Graves and Commemorations - Managing Gallipoli Attendance 5 | (1,300) | 1,300 | - | - | - |
|  |  |  |  |  |  |
| **Total Movement of** |  |  |  |  |  |
| **Administered Funds** | **(8,292)** | **4,151** | **4,106** | **35** | **-** |

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

1. Movement of funds for $3.139 million in unspent administered funding to provide for extended timeframes in relation to the construction of an Australian Memorial in Wellington, New Zealand.

2. Movement of funds for $1.623 million in unspent administered funding to provide for extended timeframes in relation to the development of an Australian Remembrance Trail on the Western Front.

3. Movement of funds for $0.480 million in unspent administered funding to provide for extended timeframes in relation to the development of the Vietnam Veterans Education Centre, Washington.

4. Movement of funds for $1.750 million in unspent administered funding to provide for extended deadlines for the development of the Albany Interpretive Centre.

5. Movement of funds for $1.300 million in unspent administered funding to provide for extended deadlines for Managing Gallipoli Attendance.

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 |
|  |  |  | **2013-14** | **2013-14** | **2013-14** | **2013-14** | **2013-14** |
|  |  |  | *2012-13* | *2012-13* | *2012-13* | *2012-13* | *2012-13* |
|  |  | Outcome | $'000 | $'000 | $'000 | $'000 | $'000 |
| Military Death Claim | | 1 | **797** | **550** | **499** | **-** | **848** |
| Compensation Special | |  |  |  |  |  |  |
| Account (A) | |  | *732* | *150* | *285* | *200* | *797* |
| Defence Service Homes | | 1 | **1,062** | **48,667** | **48,710** | **-** | **1,019** |
| Insurance Account (D) | |  | *1,550* | *41,412* | *41,900* | *-* | *1,062* |
| Australians at War | | 3 | **207** | **5** | **1** | **-** | **211** |
| Special Account (A) | |  | *203* | *5* | *1* | *-* | *207* |
| Services for Other Entities and | |  | **134** | **55** | **20** | **-** | **169** |
| Trust Moneys Special | |  |  |  |  |  |  |
| Account (A) | | 3 | *99* | *55* | *20* | *-* | *134* |
| **Total Special Accounts** | |  |  |  |  |  |  |
|  | **2013-14 Budget estimate** |  | **2,200** | **49,277** | **49,230** | **-** | **2,247** |
| *Total Special Accounts* | |  |  |  |  |  |  |
|  | *2012-13 estimate actual* |  | *2,584* | *41,622* | *42,206* | *200* | *2,200* |

(A) = Special Public Money, Administered

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

The 2013-14 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 2012-13 financial year and the related appropriation will be received in the 2013-14 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 2012-13 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 2013-14 and the forward estimates. Total revenue for the 2013-14 financial year is $300.1 million which represents an increase of $4.7 million from the 2012-13 financial year. It comprises of $289.1 million of revenue from government, $10.2 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 2013-14 financial year is projected to be $61.8 million, and represents a decrease of $2.4 million from the 2012-13 position $64.2 million.

Budgeted total assets of $159.7 million in 2013-14 represent a decrease of $3.4 million from 2012-13 of $163.1 million. This mainly comprises of a decrease in appropriation receivables of $4.7 million and a increase in non-financial assets of $1.0 million.

Budgeted liabilities of $97.9 million in 2013-14 represent a decrease of $1.1 million from 2012-13 of $99.0 million and are primarily a result of a decrease in supplier payables of $1.3 million.

Departmental (DSHIS)

Budgeted departmental income statement

DSHIS is budgeting for an operating surplus of $3.6 million before depreciation and amortisation expense in 2013-14. Revenue for 2013-14 is expected to be $37.2 million and consists of $37.0 million of own-source income and $0.1 million of revenue from government, an increase of $4.6 million from 2012-13 of $32.6 million. This increase is primarily driven by the sale of goods and services (premium revenue) which is expected to increase from $28.0 million in 2012-13 to $32.4 million in the 2013-14 financial year.

Budgeted departmental balance sheet

DSHIS’s net asset position for 2013-14 is projected to be $25.1 million, and increase over the forward years.

Budgeted liabilities for 2013-14 are expected to be $32.5 million and reduce over the forward years.

Administered statements

Budgeted revenue and expenses

The Department will administer $12.3 billion of administered funding in the 2013-14 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 $6.0 billion in 2013-14 from the 2012-13 estimated actual of $5.8 billion, represented by an increase in personal benefits of $0.2 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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSE** | | |  |  |  |  |  |
|  | Employee benefits | | 184,522 | 192,913 | 192,742 | 190,395 | 188,763 |
|  | Supplier expenses | | 110,414 | 112,258 | 106,399 | 105,383 | 109,243 |
|  | Depreciation and amortisation | | 25,630 | 26,822 | 27,257 | 27,257 | 27,257 |
|  | Insurance claims | | 29,854 | 27,533 | 30,253 | 33,242 | 36,528 |
| **Total expenses** | | | **350,420** | **359,526** | **356,652** | **356,277** | **361,790** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 36,615 | 41,649 | 42,085 | 46,044 | 50,406 |
|  | Other revenue | | 4,404 | 4,625 | 4,856 | 4,994 | 5,139 |
| **Total own-source revenue** | | | **41,019** | **46,274** | **46,941** | **51,038** | **55,545** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 805 | 805 | 805 | 805 | 805 |
| **Total gains** | | | **805** | **805** | **805** | **805** | **805** |
| **Total own-source income** | | | **41,824** | **47,079** | **47,746** | **51,843** | **56,350** |
|  |  |  |  |  |  |  |  |
| **Net cost of services** | | | **308,596** | **312,447** | **308,906** | **304,434** | **305,440** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 285,238 | 289,260 | 286,071 | 282,382 | 284,278 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **(23,358)** | **(23,187)** | **(22,835)** | **(22,052)** | **(21,162)** |

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'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** | | **(23,358)** | **(23,187)** | **(22,835)** | **(22,052)** | **(21,162)** |
|  |  |  |  |  |  |  |  |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **(23,358)** | **(23,187)** | **(22,835)** | **(22,052)** | **(21,162)** |
|  |  |  |  |  |  |  |  |
| plus depreciation/amortisation expenses | | |  |  |  |  |  |
|  | previously funded through revenue | |  |  |  |  |  |
|  | appropriations1 | | 25,630 | 26,822 | 27,257 | 27,257 | 27,257 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) - as per the Statement of** | |  |  |  |  |  |
|  | **Comprehensive Income** | | **2,272** | **3,635** | **4,422** | **5,205** | **6,095** |

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 2,155 | 2,319 | 2,876 | 2,978 | 3,198 |
|  | Trade and other receivables | | 22,975 | 16,675 | 15,675 | 15,675 | 15,675 |
|  | Appropriation receivables | | 21,122 | 16,422 | 15,822 | 15,822 | 15,822 |
|  | Investments | | 43,895 | 42,995 | 44,595 | 44,195 | 44,295 |
| ***Total financial assets*** | | | **90,147** | **78,411** | **78,968** | **78,670** | **78,990** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 25,149 | 22,097 | 17,253 | 19,635 | 16,257 |
|  | Infrastructure, plant and equipment | | 19,394 | 20,408 | 22,383 | 23,406 | 24,429 |
|  | Intangibles - Computer Software | | 77,919 | 80,930 | 72,508 | 56,355 | 45,445 |
|  | Other non-financial assets | | 14,791 | 15,061 | 15,061 | 15,061 | 15,061 |
| ***Total non-financial assets*** | | | **137,253** | **138,496** | **127,205** | **114,457** | **101,192** |
| **Total assets** | | | **227,400** | **216,907** | **206,173** | **193,127** | **180,182** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 17,599 | 16,553 | 16,245 | 16,252 | 16,443 |
|  | Other payables | | 23,034 | 16,678 | 16,678 | 14,178 | 14,178 |
| **Total Payables** | | | **40,633** | **33,231** | **32,923** | **30,430** | **30,621** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 73,470 | 73,714 | 73,910 | 74,014 | 74,062 |
|  | Other provisions | | 27,600 | 23,057 | 19,304 | 16,190 | 10,176 |
| **Total provisions** | | | **101,070** | **96,771** | **93,214** | **90,204** | **84,238** |
| **Total liabilities** | | | **141,703** | **130,002** | **126,137** | **120,634** | **114,859** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **85,697** | **86,905** | **80,036** | **72,493** | **65,323** |
|  |  |  |  |  |  |  |  |
| **Equity** | | |  |  |  |  |  |
|  | Contributed equity | | 161,821 | 186,216 | 202,182 | 216,691 | 230,683 |
|  | Asset revaluation reserve | | 9,049 | 9,049 | 9,049 | 9,049 | 9,049 |
|  | Retained surplus | |  |  |  |  |  |
|  |  | (accumulated deficit) | (85,173) | (108,360) | (131,195) | (153,247) | (174,409) |
| **Total equity** | | | **85,697** | **86,905** | **80,036** | **72,493** | **65,323** |

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 |
|  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Appropriations | 287,974 | 293,960 | 286,671 | 282,383 | 284,290 |
|  | Sale of goods and services | 42,444 | 48,204 | 48,956 | 53,248 | 57,957 |
|  | Net GST received | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
|  | Other | 2,603 | 8,733 | 5,370 | 3,013 | 3,164 |
| ***Total cash received*** | | **346,357** | **364,233** | **354,333** | **351,980** | **358,747** |
|  |  |  |  |  |  |  |
| **Cash used** | |  |  |  |  |  |
|  | Employees | 188,373 | 192,919 | 192,707 | 191,985 | 190,364 |
|  | Suppliers | 110,087 | 112,064 | 105,240 | 102,349 | 106,050 |
|  | Net GST paid | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
|  | Other | 36,700 | 43,250 | 40,893 | 44,608 | 48,677 |
| ***Total cash used*** | | **348,496** | **361,569** | **352,176** | **352,278** | **358,427** |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **operating activities** | **(2,139)** | **2,664** | **2,157** | **(298)** | **320** |
|  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Investments | 4,851 | 900 | - | 400 | - |
| ***Total cash received*** | | **4,851** | **900** | **-** | **400** | **-** |
|  |  |  |  |  |  |  |
| **Cash used** | |  |  |  |  |  |
|  | Purchase of property, plant |  |  |  |  |  |
|  | and equipment | 24,858 | 27,795 | 15,966 | 14,509 | 13,992 |
|  | Investments | - | - | 1,600 | - | 100 |
| ***Total cash used*** | | **24,858** | **27,795** | **17,566** | **14,509** | **14,092** |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **investing activities** | **(20,007)** | **(26,895)** | **(17,566)** | **(14,109)** | **(14,092)** |
|  |  |  |  |  |  |  |
| **FINANCING ACTIVITIES** | |  |  |  |  |  |
| **Cash received** | |  |  |  |  |  |
|  | Equity Injections | 21,450 | 24,395 | 15,966 | 14,509 | 13,992 |
| ***Total cash received*** | | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
|  |  |  |  |  |  |  |
| **Net cash from or (used by)** | |  |  |  |  |  |
|  | **financing activities** | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
| **Net increase or (decrease)** | |  |  |  |  |  |
|  | **in cash held** | **(696)** | **164** | **557** | **102** | **220** |
| Cash and cash equivalents at the | |  |  |  |  |  |
|  | beginning of the reporting period | 2,851 | 2,155 | 2,319 | 2,876 | 2,978 |
| **Cash and cash equivalents at the** | |  |  |  |  |  |
|  | **end of the reporting period** | **2,155** | **2,319** | **2,876** | **2,978** | **3,198** |

Prepared on Australian Accounting Standards basis

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSE** | | |  |  |  |  |  |
|  | Employee benefits | | 181,110 | 189,330 | 188,980 | 186,445 | 184,616 |
|  | Supplier expenses | | 109,071 | 110,800 | 104,821 | 103,679 | 107,406 |
|  | Depreciation and amortisation | | 25,555 | 26,747 | 27,182 | 27,182 | 27,182 |
| **Total expenses** | | | **315,736** | **326,877** | **320,984** | **317,306** | **319,203** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 9,585 | 10,240 | 7,101 | 7,112 | 7,113 |
| **Total own-source revenue** | | | **9,585** | **10,240** | **7,101** | **7,112** | **7,113** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 750 | 750 | 750 | 750 | 750 |
| **Total gains** | | | **750** | **750** | **750** | **750** | **750** |
| **Total own-source income** | | | **10,335** | **10,990** | **7,851** | **7,862** | **7,863** |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by) services** | | | **305,401** | **315,887** | **313,133** | **309,444** | **311,340** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 285,118 | 289,140 | 285,951 | 282,262 | 284,158 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **(20,283)** | **(26,747)** | **(27,182)** | **(27,182)** | **(27,182)** |

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'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** | | **(20,283)** | **(26,747)** | **(27,182)** | **(27,182)** | **(27,182)** |
|  |  |  |  |  |  |  |  |
| **Note: Impact of Net Cash Appropriation Arrangements** | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **(20,283)** | **(26,747)** | **(27,182)** | **(27,182)** | **(27,182)** |
|  |  |  |  |  |  |  |  |
| plus depreciation/amortisation expenses | | |  |  |  |  |  |
|  | previously funded through revenue | |  |  |  |  |  |
|  | appropriations1 | | 25,555 | 26,747 | 27,182 | 27,182 | 27,182 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
|  | **(loss) - as per the Statement of** | |  |  |  |  |  |
|  | **Comprehensive Income** | | **5,272** | **-** | **-** | **-** | **-** |

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 1,093 | 1,300 | 1,788 | 1,899 | 2,138 |
|  | Trade and other receivables | | 6,007 | 6,007 | 6,007 | 6,007 | 6,007 |
|  | Appropriation receivables | | 21,122 | 16,422 | 15,822 | 15,822 | 15,822 |
|  | Investments | | - | - | - | - | - |
| ***Total financial assets*** | | | **28,222** | **23,729** | **23,617** | **23,728** | **23,967** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 25,149 | 22,097 | 17,253 | 19,635 | 16,257 |
|  | Infrastructure, plant and equipment | | 19,394 | 20,408 | 22,383 | 23,406 | 24,429 |
|  | Intangibles - Computer Software | | 77,314 | 80,400 | 72,053 | 55,975 | 45,140 |
|  | Other non-financial assets | | 13,061 | 13,061 | 13,061 | 13,061 | 13,061 |
| ***Total non-financial assets*** | | | **134,918** | **135,966** | **124,750** | **112,077** | **98,887** |
| **Total assets** | | | **163,140** | **159,695** | **148,367** | **135,805** | **122,854** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 14,222 | 12,885 | 12,577 | 12,584 | 12,775 |
|  | Other payables | | 5,178 | 5,178 | 5,178 | 5,178 | 5,178 |
| ***Total payables*** | | | **19,400** | **18,063** | **17,755** | **17,762** | **17,953** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 73,470 | 73,714 | 73,910 | 74,014 | 74,062 |
|  | Other provisions | | 6,106 | 6,106 | 6,106 | 6,106 | 6,106 |
| ***Total provisions*** | | | **79,576** | **79,820** | **80,016** | **80,120** | **80,168** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **98,976** | **97,883** | **97,771** | **97,882** | **98,121** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **64,164** | **61,812** | **50,596** | **37,923** | **24,733** |
|  |  |  |  |  |  |  |  |
| **Equity** | | |  |  |  |  |  |
|  | Contributed equity | | 161,821 | 186,216 | 202,182 | 216,691 | 230,683 |
|  | Asset revaluation reserve | | 9,049 | 9,049 | 9,049 | 9,049 | 9,049 |
|  | Retained surplus (accumulated deficit) | | (106,706) | (133,453) | (160,635) | (187,817) | (214,999) |
| **Total equity** | | | **64,164** | **61,812** | **50,596** | **37,923** | **24,733** |

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 287,854 | 293,840 | 286,551 | 282,263 | 284,170 |
|  | Sale of goods and services | | 9,556 | 10,240 | 7,101 | 7,112 | 7,113 |
|  | Net GST received | | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
| ***Total cash received*** | | | **310,746** | **317,416** | **306,988** | **302,711** | **304,619** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 184,873 | 189,244 | 188,848 | 187,933 | 186,110 |
|  | Suppliers | | 109,337 | 111,229 | 104,316 | 101,331 | 104,934 |
|  | Net GST paid | | 13,336 | 13,336 | 13,336 | 13,336 | 13,336 |
| ***Total cash used*** | | | **307,546** | **313,809** | **306,500** | **302,600** | **304,380** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **operating activities** | | **3,200** | **3,607** | **488** | **111** | **239** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Purchase of property, plant | |  |  |  |  |  |
|  |  | and equipment | 24,858 | 27,795 | 15,966 | 14,509 | 13,992 |
| ***Total cash used*** | | | **24,858** | **27,795** | **15,966** | **14,509** | **13,992** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **(24,858)** | **(27,795)** | **(15,966)** | **(14,509)** | **(13,992)** |
| **FINANCING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Contributed equity | | 21,450 | 24,395 | 15,966 | 14,509 | 13,992 |
| ***Total cash received*** | | | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **financing activities** | | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(208)** | **207** | **488** | **111** | **239** |
| Cash and cash equivalents at the | | |  |  |  |  |  |
|  | beginning of the reporting period | | 1,301 | 1,093 | 1,300 | 1,788 | 1,899 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **1,093** | **1,300** | **1,788** | **1,899** | **2,138** |

Prepared on Australian Accounting Standards basis

**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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** | | |  |  |  |  |  |
|  | Employee benefits | | 3,412 | 3,583 | 3,762 | 3,950 | 4,147 |
|  | Supplier expenses | | 2,293 | 2,408 | 2,528 | 2,654 | 2,787 |
|  | Depreciation and amortisation | | 75 | 75 | 75 | 75 | 75 |
|  | Insurance claims | | 29,854 | 27,533 | 30,253 | 33,242 | 36,528 |
| **Total expenses** | | | **35,634** | **33,599** | **36,618** | **39,921** | **43,537** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering | |  |  |  |  |  |
|  |  | of services | 27,980 | 32,359 | 35,934 | 39,882 | 44,243 |
|  | Other | | 4,404 | 4,625 | 4,856 | 4,994 | 5,139 |
| **Total own-source revenue** | | | **32,384** | **36,984** | **40,790** | **44,876** | **49,382** |
|  |  |  |  |  |  |  |  |
| **Gains** | | |  |  |  |  |  |
|  | Resources received free of charge | | 55 | 55 | 55 | 55 | 55 |
| **Total gains** | | | **55** | **55** | **55** | **55** | **55** |
| **Total own-source income** | | | **32,439** | **37,039** | **40,845** | **44,931** | **49,437** |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by) services** | | | **3,195** | **(3,440)** | **(4,227)** | **(5,010)** | **(5,900)** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 120 | 120 | 120 | 120 | 120 |
| **Surplus (Deficit) attributable to** | | |  |  |  |  |  |
|  | **the Australian Government** | | **(3,075)** | **3,560** | **4,347** | **5,130** | **6,020** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
|  | **attributable to the** | |  |  |  |  |  |
|  | **Australian Government** | | **(3,075)** | **3,560** | **4,347** | **5,130** | **6,020** |

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** | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income (loss)** | | |  |  |  |  |  |
|  | **less depreciation/amortisation** | |  |  |  |  |  |
|  | **expenses previously funded through** | |  |  |  |  |  |
|  | **revenue appropriations** | | **(3,075)** | **3,560** | **4,347** | **5,130** | **6,020** |
|  |  |  |  |  |  |  |  |
|  | 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** | | **(3,000)** | **3,635** | **4,422** | **5,205** | **6,095** |

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 1,062 | 1,019 | 1,088 | 1,079 | 1,060 |
|  | Trade and other receivables | | 17,300 | 11,000 | 10,000 | 10,000 | 10,000 |
|  | Appropriation receivables | | - | - | - | - | - |
|  | Investments | | 43,895 | 42,995 | 44,595 | 44,195 | 44,295 |
| ***Total financial assets*** | | | **62,257** | **55,014** | **55,683** | **55,274** | **55,355** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Intangibles - Computer Software | | 605 | 530 | 455 | 380 | 305 |
|  | Other non-financial assets | | 1,730 | 2,000 | 2,000 | 2,000 | 2,000 |
| ***Total non-financial assets*** | | | **2,335** | **2,530** | **2,455** | **2,380** | **2,305** |
| **Total assets** | | | **64,592** | **57,544** | **58,138** | **57,654** | **57,660** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Supplier payables | | 3,709 | 4,000 | 4,000 | 4,000 | 4,000 |
|  | Other payables | | 17,856 | 11,500 | 11,500 | 9,000 | 9,000 |
| **Total payables** | | | **21,565** | **15,500** | **15,500** | **13,000** | **13,000** |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Other provisions | | 21,494 | 16,951 | 13,198 | 10,084 | 4,070 |
| **Total provisions** | | | **21,494** | **16,951** | **13,198** | **10,084** | **4,070** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **43,059** | **32,451** | **28,698** | **23,084** | **17,070** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **21,533** | **25,093** | **29,440** | **34,570** | **40,590** |
|  |  |  |  |  |  |  |  |
| **Equity\*** | | |  |  |  |  |  |
|  | Contributed equity | | - | - | - | - | - |
|  | Asset revaluation reserve | | - | - | - | - | - |
|  | Retained surplus | |  |  |  |  |  |
|  |  | (accumulated deficit) | 21,533 | 25,093 | 29,440 | 34,570 | 40,590 |
| **Total equity** | | | **21,533** | **25,093** | **29,440** | **34,570** | **40,590** |

Prepared on Australian Accounting Standards basis

**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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 120 | 120 | 120 | 120 | 120 |
|  | Sales of goods and services | | 33,838 | 38,914 | 42,805 | 47,086 | 51,794 |
|  | Other | | 2,603 | 8,733 | 5,370 | 3,013 | 3,164 |
| ***Total cash received*** | | | **36,561** | **47,767** | **48,295** | **50,219** | **55,078** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 3,500 | 3,675 | 3,859 | 4,052 | 4,254 |
|  | Suppliers | | 1,700 | 1,785 | 1,874 | 1,968 | 2,066 |
|  | Other | | 36,700 | 43,250 | 40,893 | 44,608 | 48,677 |
| ***Total cash used*** | | | **41,900** | **48,710** | **46,626** | **50,628** | **54,997** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **operating activities** | | **(5,339)** | **(943)** | **1,669** | **(409)** | **81** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Investments realised | | 4,851 | 900 | - | 400 | - |
| ***Total cash received*** | | | **4,851** | **900** | **-** | **400** | **-** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Investments | | - | - | 1,600 | - | 100 |
| ***Total cash used*** | | | **-** | **-** | **1,600** | **-** | **100** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **4,851** | **900** | **(1,600)** | **400** | **(100)** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(488)** | **(43)** | **69** | **(9)** | **(19)** |
|  | Cash and cash equivalents at the | |  |  |  |  |  |
|  |  | beginning of the reporting period | 1,550 | 1,062 | 1,019 | 1,088 | 1,079 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **1,062** | **1,019** | **1,088** | **1,079** | **1,060** |

Prepared on Australian Accounting Standards basis

Table 3.2.4: Departmental statement of changes in equity – summary of movement (Budget year 2013-14)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Retained | Asset | Contributed | Total |
|  |  |  | earnings | revaluation | equity/ | equity |
|  |  |  |  | reserve | capital |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as at 1 July 2013** | | |  |  |  |  |
|  | Balance carried forward from | |  |  |  |  |
|  |  | previous period | **(85,173)** | **9,049** | **161,821** | **85,697** |
|  | Adjustment for changes in | |  |  |  |  |
|  |  | accounting policies | - | - | - | - |
| ***Adjusted opening balance*** | | | **(85,173)** | **9,049** | **161,821** | **85,697** |
| **Comprehensive income** | | |  |  |  |  |
|  | Surplus (deficit) for the period | | (23,187) | - | - | (23,187) |
| ***Total comprehensive income*** | | | **(23,187)** | **-** | **-** | **(23,187)** |
|  |  |  |  |  |  |  |
| **Transactions with owners** | | |  |  |  |  |
| ***Contribution by owners*** | | |  |  |  |  |
|  | Equity injection - Bill 2 | | - | - | 10,325 | 10,325 |
|  | Capital Budget - Bill 1 (DCB) | | - | - | 14,070 | 14,070 |
| ***Sub-total transactions with owners*** | | | **-** | **-** | **24,395** | **24,395** |
| **Estimated closing balance** | | |  |  |  |  |
|  | **as at 30 June 2014** | | **(108,360)** | **9,049** | **186,216** | **86,905** |

Prepared on Australian Accounting Standards basis

Table 3.2.5: Departmental capital budget statement

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimated | Budget | Forward | Forward | Forward |
|  |  |  | actual | estimate | estimate | estimate | estimate |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **NEW CAPITAL APPROPRIATIONS** | | |  |  |  |  |  |
|  | Capital budget - Bill 1 (Departmental Capital Budget) | | 14,154 | 14,070 | 13,642 | 13,749 | 13,992 |
|  | Equity injections - Bill 2 | | 7,296 | 10,325 | 2,324 | 760 | - |
| **Total new capital appropriations** | | | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
|  | | |  |  |  |  |  |
| **Provided for:** | | |  |  |  |  |  |
|  | Purchase of non-financial assets | | 21,450 | 24,395 | 15,966 | 14,509 | 13,992 |
| **Total items** | | | **21,450** | **24,395** | **15,966** | **14,509** | **13,992** |
|  |  |  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL ASSETS** | | | |  |  |  |  |
|  | Funded by capital appropriations1 | | 7,296 | 10,325 | 2,324 | 760 | - |
|  | Funded by capital appropriations - Departmental Capital Budget2 | | 14,154 | 14,070 | 13,642 | 13,749 | 13,992 |
|  | Funded internally from Departmental resources3 | | 3,408 | 3,400 | - | - | - |
| **TOTAL** | | | **24,858** | **27,795** | **15,966** | **14,509** | **13,992** |
|  |  |  |  |  |  |  |  |
| **RECONCILIATION OF CASH** | | |  |  |  |  |  |
|  | **USED TO ACQUIRE ASSETS** | |  |  |  |  |  |
|  | **TO ASSET MOVEMENT TABLE** | |  |  |  |  |  |
|  | Total purchases | | 24,858 | 27,795 | 15,966 | 14,509 | 13,992 |
| **Total cash used to** | | |  |  |  |  |  |
|  | **acquire assets** | | **24,858** | **27,795** | **15,966** | **14,509** | **13,992** |

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).

– internally developed assets

– section 31 relevant agency receipts

– proceeds from the sale of assets.

Table 3.2.6: Statement of asset movements (2013-14)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Land | Buildings | Other | Intangibles | Total |
|  |  |  |  | infrastructure, | - Computer |  |
|  |  |  |  | plant and | Software |  |
|  |  |  |  | equipment |  |  |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2013** | |  |  |  |  |  |
| Gross book value | | 1,352 | 38,375 | 30,870 | 162,947 | 233,544 |
| Accumulated depreciation/ | |  |  |  |  |  |
|  | amortisation and impairment | - | (14,578) | (11,476) | (85,028) | (111,082) |
| **Opening net book balance** | | **1,352** | **23,797** | **19,394** | **77,919** | **122,462** |
|  |  |  |  |  |  |  |
| **CAPITAL ASSET ADDITIONS** | |  |  |  |  |  |
| **Estimated expenditure on** | |  |  |  |  |  |
|  | **new or replacement assets** |  |  |  |  |  |
| By purchase or internally developed: | |  |  |  |  |  |
|  | Appropriation equity1 | - | - | - | 10,325 | 10,325 |
|  | Appropriation ordinary annual services2 | - | 2,531 | 1,275 | 13,664 | 17,470 |
| **Total additions** | | **-** | **2,531** | **1,275** | **23,989** | **27,795** |
|  |  |  |  |  |  |  |
| **Other movements** | |  |  |  |  |  |
| Depreciation/amortisation expense | | - | (5,583) | (261) | (20,978) | (26,822) |
| **Total other movements** | | **-** | **(5,583)** | **(261)** | **(20,978)** | **(26,822)** |
|  |  |  |  |  |  |  |
| **As at 30 June 2014** | |  |  |  |  |  |
| Gross book value | | 1,352 | 40,906 | 32,145 | 186,936 | 261,339 |
| Accumulated depreciation/ | |  |  |  |  |  |
|  | amortisation and impairment | - | (20,161) | (11,737) | (106,006) | (137,904) |
| **Closing net book balance** | | **1,352** | **20,745** | **20,408** | **80,930** | **123,435** |

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1. "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2)   
   2013-14.
2. “Appropriation ordinary annual services” refers to funding provided through Appropriation   
   Bills (No. 1) 2013-14 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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | |  |  |  |  |  |
|  | Grants | | 5,908 | 6,110 | 4,719 | 6,086 | 6,201 |
|  | Personal benefits | | 6,696,071 | 6,665,114 | 6,568,147 | 6,504,549 | 6,318,146 |
|  | Payments to CAC Act bodies | | 39,353 | 49,330 | 39,914 | 40,529 | 40,717 |
|  | Other | | 5,479,282 | 5,542,264 | 5,599,806 | 5,687,407 | 5,862,157 |
| **Total expenses** | | |  |  |  |  |  |
|  | **administered on** | |  |  |  |  |  |
|  | **behalf of government** | | **12,220,614** | **12,262,818** | **12,212,586** | **12,238,571** | **12,227,221** |
|  |  |  |  |  |  |  |  |
| **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** | | **12,211,143** | **12,253,347** | **12,203,115** | **12,229,100** | **12,217,750** |
| **Surplus (Deficit)** | | | **(12,211,143)** | **(12,253,347)** | **(12,203,115)** | **(12,229,100)** | **(12,217,750)** |

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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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | | |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 62,679 | 62,679 | 62,679 | 62,679 | 62,679 |
|  | Other receivables | | 68,449 | 68,449 | 68,449 | 68,449 | 68,449 |
|  | Investments | | 1,236,736 | 1,262,001 | 1,274,538 | 1,281,943 | 1,289,479 |
| ***Total financial assets*** | | | **1,367,864** | **1,393,129** | **1,405,666** | **1,413,071** | **1,420,607** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
| **Total assets administered** | | |  |  |  |  |  |
|  | **on behalf of government** | | **1,367,864** | **1,393,129** | **1,405,666** | **1,413,071** | **1,420,607** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES ADMINISTERED ON** | | |  |  |  |  |  |
|  | **BEHALF OF GOVERNMENT** | | |  |  |  |  |
| **Provisions and payables** | | |  |  |  |  |  |
|  | Other provisions and payables | | 1,804,743 | 1,838,864 | 1,944,632 | 2,051,932 | 2,159,315 |
|  | Personal benefits | | 3,823,107 | 4,002,481 | 4,195,842 | 4,419,305 | 4,625,253 |
|  | Other payables and accrued | |  |  |  |  |  |
|  |  | expenses | 124,626 | 124,631 | 124,630 | 124,630 | 124,630 |
| ***Total provisions and payables*** | | | **5,752,476** | **5,965,976** | **6,265,104** | **6,595,867** | **6,909,198** |
|  |  |  |  |  |  |  |  |
| **Total liabilities administered on** | | | |  |  |  |  |
| **behalf of the government** | | | **5,752,476** | **5,965,976** | **6,265,104** | **6,595,867** | **6,909,198** |

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**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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | GST input credit received | | 38,051 | 38,051 | 38,051 | 38,051 | 38,051 |
|  | Other | | 9,471 | 9,471 | 9,471 | 9,471 | 9,471 |
| ***Total cash received*** | | | **47,522** | **47,522** | **47,522** | **47,522** | **47,522** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Personal benefits | | 6,467,132 | 6,485,740 | 6,374,786 | 6,281,086 | 6,112,198 |
|  | Other | | 5,484,742 | 5,508,138 | 5,494,039 | 5,580,107 | 5,754,774 |
|  | Grant payments | | 5,908 | 6,110 | 4,719 | 6,086 | 6,201 |
|  | GST payments to suppliers | | 38,051 | 38,051 | 38,051 | 38,051 | 38,051 |
|  | Payments to CAC Act bodies | | 39,353 | 49,330 | 39,914 | 40,529 | 40,717 |
| ***Total cash used*** | | | **12,035,186** | **12,087,369** | **11,951,509** | **11,945,859** | **11,951,941** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **operating activities** | | **(11,987,664)** | **(12,039,847)** | **(11,903,987)** | **(11,898,337)** | **(11,904,419)** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Payments to CAC Act Bodies | | 11,125 | 25,265 | 12,537 | 7,405 | 7,536 |
| **Net cash received – investing** | | | |  |  |  |  |
| **financial loans and advances** | | | **(11,125)** | **(25,265)** | **(12,537)** | **(7,405)** | **(7,536)** |
| **Net increase/decrease in cash held** | | | **(11,998,789)** | **(12,065,112)** | **(11,916,524)** | **(11,905,742)** | **(11,911,955)** |
| Cash and cash equivalents at | | |  |  |  |  |  |
|  | beginning of reporting period | | 62,679 | 62,679 | 62,679 | 62,679 | 62,679 |
| Cash from Official Public Account | | | 12,008,260 | 12,074,583 | 11,925,995 | 11,915,213 | 11,921,426 |
| Cash to Official Public Account | | | (9,471) | (9,471) | (9,471) | (9,471) | (9,471) |
| **Cash and cash equivalents** | | |  |  |  |  |  |
| **at end of reporting period** | | | **62,679** | **62,679** | **62,679** | **62,679** | **62,679** |

Prepared on Australian Accounting Standards basis

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 program and eight program 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 2013-14, the Memorial will contribute significantly to its planned outcome by producing the specific outputs detailed in the *Corporate Plan 2011-2014*.

Preparation for the Centenary of the First World War 2014-2018 will continue. The Memorial will continue to participate in the inter-departmental working group to ensure that this significant milestone is appropriately commemorated. The First World War galleries redevelopment will continue with design documentation completed by late 2013 and primary works completed by early 2014. The project is scheduled for completion by 2014-2015. Other key Centenary projects in development include ANZAC Connections, a joint National Archives of Australia and Australian War Memorial web portal, and a temporary First World War exhibition. Funding to commence design and development of the ANZAC Touring Exhibition, will be provided in 2013/14.

ANZAC Connections will allow easier online access to a range of material from the National Collection. This is a significant project which will require the integration of a number of databases. The joint National Archives of Australia and Australian War Memorial web portal project will develop online information that local communities can access to develop their own exhibitions focussed on the First World War to assist them to commemorate the Centenary. The Temporary First World War exhibition will be displayed in the Special Exhibition Gallery while the permanent First World War galleries are being redeveloped.

A new Afghanistan Exhibition will open in August 2013. One other exhibition will be displayed in the Special Exhibition Gallery – *Salute: Canberra's military heritage*

The travelling exhibitions program will continue with six exhibitions travelling during the year, including *Perspectives: Jon Cattapan and eX de Medici*; *Nurses: Zululand to Afghanistan, Shawn Gladwell: Afghanistan;* *Ben Quilty: After Afghanistan*; *Remember me: the lost diggers of Vignacourt*, and *Reality in Flames* (working title).

The writing of the *Official History of Peacekeeping and Post Cold War Conflicts* will continue in 2013-14. This major project ensures that the Memorial continues its important role of recording Australia’s military history. The *Gallipoli Centenary Collection Book* (working title) will also be published in 2013-14.

The commemoration of ANZAC Day and Remembrance Day continues to interest growing numbers in the community. The Memorial will provide dignified and fitting ceremonies for these and other commemorative days. The Last Post ceremony will be conducted on a daily basis and will be streamed live over the internet. Enhancements to the Hall of Memory are also planned to coincide with the 20th anniversary of the Entombment of the Unknown Australian Soldier in November 2013.

Education programs will continue to be a focus and the Memorial will deliver a range of high quality, engaging, curriculum-related school education programs as well as online resources for teachers and students. The Memorial will host the annual military history conference with a focus on the Vietnam War, including the selection of Memorial Boeing Visiting Fellow, in August 2013 as well as the annual *Big Things in Store* in September 2013.

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 programs will continue in accordance with key plans and documentation. In line with the Collection Development Plan, the Memorial will continue to remedy collection deficiencies, with a focus on identifying, conserving and documenting objects for the First World War redeveloped galleries and recent conflicts. Infrastructure upgrades for the Treloar A building commenced during 2012-2013 will be completed and implementation of the Treloar Site Master Plan for the strategic development of the Memorial’s storage and conservation laboratories in Mitchell will commence.

The Sharepoint document management system upgrade to include an electronic records management component in accordance with archival requirements will be completed. Key people management policies and systems will be improved and the organisational structure will be reviewed. An enterprise-wide business risk assessment and fraud risk assessment will be completed to inform the development of a New Corporate Plan, Risk Management Plan, Fraud Control Plan, and the Strategic Internal Audit Plan for the period 2014-2017.

A new Enterprise Agreement will be negotiated and come into effect from 1 July 2014.

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: The Australian War Memorial resource statement – Budget estimates for 2013-14 as at Budget May 2013

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Estimate |  | Proposed |  | Total | Actual |
|  |  |  |  | of prior | + | at Budget | = | estimate | available |
|  |  |  |  | year amounts |  |  |  |  | appropriation |
|  |  |  |  | available in |  |  |  |  |  |
|  |  |  |  | 2013-14 |  | 2013-14 |  | 2013-14 | 2012-13 |
|  |  |  |  | $'000 |  | $'000 |  | $'000 | $'000 |
|  |  |  |  |  |  |  |  |  |  |
| **Opening balance/Reserves at bank** | | |  | 60,732 |  | - |  | 60,732 | 56,940 |
|  |  |  |  |  |  |  |  |  |  |
| **REVENUE FROM GOVERNMENT** | | |  |  |  |  |  |  |  |
| **Ordinary annual services1** | | |  |  |  |  |  |  |  |
|  | Outcome 1 | |  | - |  | 49,330 |  | 49,330 | 39,353 |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total ordinary annual services** | |  | - |  | **49,330** |  | **49,330** | **39,353** |
|  |  |  |  |  |  |  |  |  |  |
| **Other services2** | | |  |  |  |  |  |  |  |
|  | *Non-operating* | |  | **-** |  | 25,265 |  | 25,265 | 11,125 |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total other services** | |  | **-** |  | **25,265** |  | **25,265** | **11,125** |
|  |  |  |  |  |  |  |  |  |  |
|  | **Total annual appropriations** | |  | - |  | **74,595** |  | **74,595** | **50,478** |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| **FUNDS FROM OTHER SOURCES** | | |  |  |  |  |  |  |  |
|  | Interest | |  | **-** |  | 2,633 |  | 2,633 | 2,944 |
|  | Sale of goods and services | |  | **-** |  | 3,399 |  | 3,399 | 3,306 |
|  | Other | |  | **-** |  | 3,288 |  | 3,288 | 2,237 |
|  | **Total** | |  | - |  | **9,320** |  | **9,320** | **8,487** |
|  |  |  |  |  |  |  |  |  |  |
| **Total net resourcing for agency** | | |  | **60,732** |  | **83,915** |  | **144,647** | **115,905** |

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) 2013-14.

2. Appropriation Bill (No. 2) 2013-14.

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: The Australian War Memorial 2013-14 Budget measures

**Part 1: Measures announced since the 2012-13 MYEFO**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **Expense measures** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Anzac Centenary Program 2014-18 - additional funding | | 1.4 |  |  |  |  |  |
|  | Departmental expenses |  | - | 10,000 | - | - | - |
| **Total** | |  | **-** | **10,000** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total expense measures** | |  |  |  |  |  |  |
|  | Departmental |  | - | 10,000 | - | - | - |
| **Total** | |  | **-** | **10,000** | **-** | **-** | **-** |

Prepared on a Government Finance Statistics (fiscal) basis

**Part 2: MYEFO measures not previously reported in a portfolio statement**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
|  |  |  |  |  |  |  |  |
| **Expense measures** | |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Targeted savings – public service efficiencies | | 1.1-1.8 |  |  |  |  |  |
|  | Departmental expenses |  | - | (78) | (36) | (14) | - |
| **Total** | |  | **-** | **(78)** | **(36)** | **(14)** | **-** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Fire Services Levy - reduction | | 1.2-1.4 |  |  |  |  |  |
|  | Departmental expenses |  | (45) | (47) | (49) | (49) | (49) |
| **Total** | |  | **(45)** | **(47)** | **(49)** | **(49)** | **(49)** |
|  |  |  |  |  |  |  |  |
| **Total expense measures** | |  |  |  |  |  |  |
|  | Departmental |  | (45) | (125) | (85) | (63) | (49) |
| **Total** | |  | **(45)** | **(125)** | **(85)** | **(63)** | **(49)** |

Prepared on a Government Finance Statistics (fiscal) basis

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 programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, 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 program.

Table 2.1: Budgeted Expenses for Outcome 1

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Outcome 1**: Australians remembering, interpreting and | | 2012-13 | 2013-14 |
| 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 |
|  |  |  |  |
| **Program 1.1: Australian War Memorial** | |  |  |
|  |  |  |  |
| Revenue from Government | |  |  |
|  | Ordinary annual services (Appropriation Bill No. 1) | 39,353 | 49,330 |
| Revenues from other independent sources | | 8,799 | 9,620 |
| Expenses not requiring appropriation in the Budget year | | 7,292 | 8,978 |
|  |  |  |  |
|  | **Total for Program 1.1** | **55,444** | **67,928** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total expenses for Outcome 1** | | **55,444** | **67,928** |
|  |  |  |  |
|  |  | 2012-13 | 2013-14 |
| **Average Staffing Level (number)** | | 312 | 339 |

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

|  |
| --- |
| **Program 1.1: Australian War Memorial** |
|  |
| **Program 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 program components:  Program component 1.1: Commemorative Ceremonies  Program component 1.2: National Memorial and Grounds  Program component 1.3: National Collection  Program component 1.4: Exhibitions  Program component 1.5: Interpretive Services  Program component 1.6: Promotion and Community Services  Program component 1.7: Research and Information Dissemination  Program component 1.8: Visitor Services. |
|  |
| **Program 1.1 expenses** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | Revised | Budget | Forward | Forward | Forward |
|  |  |  | budget |  | year 1 | year 2 | year 3 |
| ('000) | | | $'000 | $'000 | $'000 | $'000 | $'000 |
| Annual departmental expenses: | | |  |  |  |  |  |
|  | Departmental item | | 55,444 | 67,928 | 58,904 | 59,877 | 59,636 |
| **Total program expenses** | | | **55,444** | **67,928** | **58,904** | **59,877** | **59,636** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Program 1.1: Australian War Memorial (continued)** | | | | | | | |
| **Program Components** | | | | | | | |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | 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 | 438 | 458 | 458 | 459 | 457 |
|  | **Total component expenses** | | **438** | **458** | **458** | **459** | **457** |
| ***1.2 - National Memorial & Grounds*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 6,409 | 6,696 | 6,707 | 6,717 | 6,689 |
|  | **Total component expenses** | | **6,409** | **6,696** | **6,707** | **6,717** | **6,689** |
| ***1.3 - National Collection*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 28,265 | 29,532 | 29,578 | 29,622 | 29,500 |
|  | **Total component expenses** | | **28,265** | **29,532** | **29,578** | **29,622** | **29,500** |
| ***1.4 - Exhibitions*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 7,574 | 17,913 | 8,811 | 9,708 | 9,675 |
|  | **Total component expenses** | | **7,574** | **17,913** | **8,811** | **9,708** | **9,675** |
| ***1.5 - Interpretive Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 3,892 | 4,067 | 4,073 | 4,079 | 4,062 |
|  | **Total component expenses** | | **3,892** | **4,067** | **4,073** | **4,079** | **4,062** |
| ***1.6 - Promotion & Community Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 2,855 | 2,983 | 2,988 | 2,993 | 2,980 |
|  | **Total component expenses** | | **2,855** | **2,983** | **2,988** | **2,993** | **2,980** |
| ***1.7 - Research & Information Dissemination*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 3,255 | 3,400 | 3,406 | 3,411 | 3,397 |
|  | **Total component expenses** | | **3,255** | **3,400** | **3,406** | **3,411** | **3,397** |
| ***1.8 - Visitor Services*** | | |  |  |  |  |  |
|  | Annual departmental expenses: | |  |  |  |  |  |
|  |  | Departmental item | 2,756 | 2,879 | 2,883 | 2,888 | 2,876 |
|  | **Total component expenses** | | **2,756** | **2,879** | **2,883** | **2,888** | **2,876** |
| **Total program expenses** | | | **55,444** | **67,928** | **58,904** | **59,877** | **59,636** |

Contributions to Outcome 1

|  |
| --- |
| **Program Component 1.1: Commemorative Ceremonies** |
|  |
| **Program 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 program component assists Australians to remember the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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. |
|  |
| **Program 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 program is the total attendance figure at commemorative ceremonies. |

|  |
| --- |
| **Program Component 1.2: National Memorial and Grounds** |
|  |
| **Program 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 program component assists Australians to remember the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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. |
|  |
| **Program component 1.2 Key performance indicators**  Attending the National Memorial is an explicit act of remembrance. Therefore, the KPI for this program component is the total attendance figure at the Australian War Memorial in Canberra. |

|  |
| --- |
| **Program Component 1.3: National Collection** |
|  |
| **Program 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 program component assists Australians to remember, interpret and understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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. |
|  |
| **Program component 1.3 key performance indicators**  The existence of an outstanding national collection provides the necessary foundation for other program components to be able to occur (namely program components 1.2, 1.4 and 1.7). The KPIs for the effectiveness of this program 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. |

|  |
| --- |
| **Program Component 1.4: Exhibitions** |
|  |
| **Program component 1.4 objective**  Development and maintenance of outstanding permanent, temporary and travelling exhibitions. This program component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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. |
|  |
| **Program 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 program 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. |

|  |
| --- |
| **Program Component 1.5: Interpretive Services** |
|  |
| **Program 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 programs as well as special events. This program component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program component 1.5 deliverables**  The Australian War Memorial will deliver:   * a range of public programs and events for visitors to the Memorial * a series of quality, engaging curriculum-related school education programs 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. |
|  |
| **Program component 1.5 key performance indicators**  Attending a Memorial program or event is a deliberate act to find out more about the Australian experience of war. The KPIs for this program component are:   * The total attendance figure at Memorial programs * Qualitative or quantitative evidence about increases in participants’ understanding * Qualitative or quantitative evidence of affective or attitudinal change. |

|  |
| --- |
| **Program Component 1.6: Promotion and Community Services** |
|  |
| **Program 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, programs, relevance and future. Through the provision of high-quality promotion and community services, the program provides a necessary foundation for other programs to function effectively. In this way, this program assists Australians to remember, interpret and understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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. |
|  |
| **Program component 1.6 key performance indicators**  Effective promotion of the Memorial provides the necessary foundation for other program components to function effectively (namely program components 1.1, 1.2, 1.3, 1.4, 1.5 and 1.7). The KPIs for the effectiveness of this program 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. |

|  |
| --- |
| **Program Component 1.7: Research and Information Dissemination** |
|  |
| **Program 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 program component assists Australians to interpret and understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program 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 program 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 |
|  |
| **Program 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 program 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. Viewing 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 |

|  |
| --- |
| **Program Component 1.8: Visitor Services** |
|  |
| **Program component 1.8 objective**  Visitors to both the Memorial and its outreach programs 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 program component provides a necessary foundation for other program components to function effectively. In this way, this program component assists Australians to understand the Australian experience of war and its enduring impact on Australian society. |
|  |
| **Program component 1.8 deliverables**  The Australian War Memorial will deliver:   * Front-of-house staff and volunteers who are trained in customer service and have at least an introductory level of military history. * 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. |
|  |
| **Program component 1.8 key performance indicators**  The provision of high-quality visitor services provides the necessary foundation for other program components to function effectively (namely program components 1.1, 1.2, 1.4, 1.5 and 1.7). The KPIs for the effectiveness of this program 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 2013-14 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, 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.

3.1.2 Special Accounts

The Australian War Memorial does not operate Special Accounts.

* + 1. Australian Government Indigenous expenditure

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

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Appropriations | | | |  | Other | Total | Program |
|  |  |  | Bill | Bill | Special | Total |  |  |  |  |
|  |  |  | No. 1 | No. 2 | approp | approp |  |  |  |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 |  | $'000 | $'000 |  |
| **Australian War Memorial** | | |  |  |  |  |  |  |  |  |
| **Outcome 1** | | |  |  |  |  |  |  |  |  |
|  | Departmental 2013-14 | | 109 | - | - | 109 |  | - | 109 | AWM |
|  | *Departmental 2012-13* | | *107* | *-* | *-* | *107* |  | *-* | *107* | *AWM* |
|  |  | **Total outcome 2013-14** | **109** | **-** | **-** | **109** |  | **-** | **109** |  |
|  |  | *Total outcome 2012-13* | *107* | *-* | *-* | *107* |  | *-* | *107* |  |
| **Total AGIE 2013-14** | | | **109** | **-** | **-** | **109** |  | **-** | **109** |  |
| *Total AGIE 2012-13* | | | *107* | *-* | *-* | *107* |  | *-* | *107* |  |

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 $1.2 million before heritage and cultural assets depreciation expense.

A deficit of $9 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 ongoing preservation of the Memorial’s collection, plus acquisition of heritage and cultural assets.

Total revenue in 2013–14 is estimated to be $59 million, with the increase from 2012–13 estimated revenue attributable to funding received to commence design and development of the ANZAC Touring Exhibition.

The total equity of $1.246 billion in 2013–14 is an increase of $16.3 million from the 2012‑13 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 2013–14, are projected to be $8.4 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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** | | |  |  |  |  |  |
|  | Employee benefits | | 22,934 | 25,982 | 24,952 | 25,221 | 25,492 |
|  | Supplier expenses | | 14,152 | 23,092 | 13,437 | 13,689 | 13,513 |
|  | Depreciation and amortisation1 | | 18,358 | 18,854 | 20,515 | 20,967 | 20,631 |
| **Total expenses** | | | **55,444** | **67,928** | **58,904** | **59,877** | **59,636** |
|  |  |  |  |  |  |  |  |
| **LESS:** | | |  |  |  |  |  |
| **OWN-SOURCE INCOME** | | |  |  |  |  |  |
| **Own-source revenue** | | |  |  |  |  |  |
|  | Sale of goods and rendering of services | | 3,289 | 3,399 | 3,399 | 3,399 | 3,399 |
|  | Interest | | 2,944 | 2,633 | 2,639 | 2,765 | 2,790 |
|  | Other | | 2,566 | 3,588 | 3,588 | 3,588 | 3,588 |
| **Total own-source revenue** | | | **8,799** | **9,620** | **9,626** | **9,752** | **9,777** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Net cost of (contribution by)** | | |  |  |  |  |  |
| **services** | | | **46,645** | **58,308** | **49,278** | **50,125** | **49,859** |
|  |  |  |  |  |  |  |  |
|  | Revenue from Government | | 39,353 | 49,330 | 39,914 | 40,529 | 40,717 |
|  |  |  |  |  |  |  |  |
| **Surplus (Deficit) attributable to the** | | |  |  |  |  |  |
| **Australian Government1** | | | **(7,292)** | **(8,978)** | **(9,364)** | **(9,596)** | **(9,142)** |
|  |  |  |  |  |  |  |  |
| **OTHER COMPREHENSIVE INCOME** | | |  |  |  |  |  |
|  | Changes in asset revaluation reserves | | 398 | **-** | - | - | - |
|  |  |  |  |  |  |  |  |
| **Total other comprehensive income** | | | **398** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | | **(6,894)** | **(8,978)** | **(9,364)** | **(9,596)** | **(9,142)** |
|  |  |  |  |  |  |  |  |
| **Total comprehensive income (loss)** | | |  |  |  |  |  |
| **attributable to the** | | |  |  |  |  |  |
| **Australian Government1** | | | **(6,894)** | **(8,978)** | **(9,364)** | **(9,596)** | **(9,142)** |
| 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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Total Comprehensive Income** | | |  |  |  |  |  |
| **(loss) less heritage and cultural** | | |  |  |  |  |  |
| **depreciation expenses previously** | | |  |  |  |  |  |
| **funded through revenue appropriations** | | | **3,165** | **1,197** | **899** | **744** | **663** |
|  |  |  |  |  |  |  |  |
| plus heritage and cultural depreciation | | |  |  |  |  |  |
|  | expenses previously funded through | |  |  |  |  |  |
|  | revenue appropriations1 | | 10,059 | 10,175 | 10,263 | 10,340 | 9,805 |
|  |  |  |  |  |  |  |  |
| **Total Comprehensive Income** | | |  |  |  |  |  |
| **(loss) - as per the Statement of** | | |  |  |  |  |  |
| **Comprehensive Income** | | | **(6,894)** | **(8,978)** | **(9,364)** | **(9,596)** | **(9,142)** |
| 1 | From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection provided Departmental Capital Budget Statement through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB). | | | | | | |
|  |
|  |
|  |
|  |  |  |  |  |  |  |  |
| 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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** | | |  |  |  |  |  |
| **Financial assets** | | |  |  |  |  |  |
|  | Cash and cash equivalents | | 3,232 | 3,063 | 2,422 | 2,843 | 2,382 |
|  | Trade and other receivables | | 1,477 | 1,523 | 1,570 | 1,570 | 1,570 |
|  | Investments accounted for under | |  |  |  |  |  |
|  | the equity method | | 57,500 | 53,500 | 58,500 | 59,500 | 59,500 |
|  | Other | | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 |
| ***Total financial assets*** | | | **63,589** | **59,466** | **63,872** | **65,293** | **64,832** |
|  |  |  |  |  |  |  |  |
| **Non-financial assets** | | |  |  |  |  |  |
|  | Land and buildings | | 117,919 | 128,180 | 126,551 | 127,182 | 127,466 |
|  | Property, plant and equipment | | 1,050,445 | 1,061,393 | 1,062,574 | 1,058,927 | 1,058,307 |
|  | Intangibles | | 6,286 | 5,487 | 4,699 | 4,103 | 3,294 |
|  | Inventories | | 649 | 649 | 649 | 649 | 649 |
|  | Other | | 195 | 195 | 195 | 195 | 195 |
| ***Total non-financial assets*** | | | **1,175,494** | **1,195,904** | **1,194,668** | **1,191,056** | **1,189,911** |
| **Total assets** | | | **1,239,083** | **1,255,370** | **1,258,540** | **1,256,349** | **1,254,743** |
|  |  |  |  |  |  |  |  |
| **LIABILITIES** | | |  |  |  |  |  |
| **Payables** | | |  |  |  |  |  |
|  | Suppliers | | 819 | 819 | 819 | 819 | 819 |
|  | Other | | 35 | 35 | 35 | 35 | 35 |
| ***Total payables*** | | | **854** | **854** | **854** | **854** | **854** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Provisions** | | |  |  |  |  |  |
|  | Employee provisions | | 8,387 | 8,387 | 8,384 | 8,384 | 8,384 |
| ***Total provisions*** | | | **8,387** | **8,387** | **8,384** | **8,384** | **8,384** |
|  |  |  |  |  |  |  |  |
| **Total liabilities** | | | **9,241** | **9,241** | **9,238** | **9,238** | **9,238** |
|  |  |  |  |  |  |  |  |
| **Net assets** | | | **1,229,842** | **1,246,129** | **1,249,302** | **1,247,111** | **1,245,505** |

Prepared on Australian Accounting Standards basis

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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EQUITY\*** | | |  |  |  |  |  |
| **Parent entity interest** | | |  |  |  |  |  |
|  | Contributed equity | | 58,450 | 83,715 | 96,252 | 103,657 | 111,193 |
|  | Reserves | | 599,155 | 599,155 | 599,155 | 599,155 | 599,155 |
|  | Retained surplus | |  |  |  |  |  |
|  | (accumulated deficit) | | 572,237 | 563,259 | 553,895 | 544,299 | 535,157 |
| **Total Equity** | | | **1,229,842** | **1,246,129** | **1,249,302** | **1,247,111** | **1,245,505** |

Prepared on Australian Accounting Standards basis

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

**Table 3.2.3: Departmental statement of changes in equity — summary of**

**movement (Budget year 2013-14)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Retained | Asset | Other | Contributed | Total |
|  |  |  | earnings | revaluation | reserves | equity/ | equity |
|  |  |  |  | reserve |  | capital |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as at 1 July 2013** | | |  |  |  |  |  |
|  | Balance carried forward from | |  |  |  |  |  |
|  |  | previous period | 572,237 | 599,155 | - | 58,450 | 1,229,842 |
|  | Adjustment for changes in | |  |  |  |  |  |
|  |  | accounting policies | - | - | - |  |  |
| ***Adjusted opening balance*** | | | **572,237** | **599,155** | **-** | **58,450** | **1,229,842** |
|  |  |  |  |  |  |  |  |
| **Comprehensive income** | | |  |  |  |  |  |
|  | Other comprehensive income | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Surplus (deficit) for the period** | | | **(8,978)** | **-** | **-** | **-** | **(8,978)** |
|  |  |  |  |  |  |  |  |
| ***Total comprehensive income*** | | | **(8,978)** | **-** | **-** | **-** | **(8,978)** |
| **Transactions with owners** | | |  |  |  |  |  |
|  | *Contributions by owners* | |  |  |  |  |  |
|  |  | Equity injection - Appropriation | - | - | - | 25,265 | 25,265 |
| ***Sub-total transactions with owners*** | | | **-** | **-** | **-** | **25,265** | **25,265** |
| **Estimated closing balance** | | |  |  |  |  |  |
|  | **as at 30 June 2014** | | **563,259** | **599,155** | **-** | **83,715** | **1,246,129** |
| **Closing balance attributable to the** | | |  |  |  |  |  |
|  | **Australian Government** | | **563,259** | **599,155** | **-** | **83,715** | **1,246,129** |

Prepared on Australian Accounting Standards basis

**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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Appropriations | | 39,307 | 49,284 | 39,867 | 40,529 | 40,717 |
|  | Goods and services | | 3,306 | 3,399 | 3,399 | 3,399 | 3,399 |
|  | Interest | | 2,944 | 2,633 | 2,639 | 2,765 | 2,790 |
|  | Other | | 2,237 | 3,288 | 3,288 | 3,288 | 3,288 |
| ***Total cash received*** | | | **47,794** | **58,604** | **49,193** | **49,981** | **50,194** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Employees | | 22,901 | 25,982 | 24,955 | 25,221 | 25,492 |
|  | Suppliers | | 14,138 | 23,092 | 13,437 | 13,689 | 13,513 |
| ***Total cash used*** | | | **37,039** | **49,074** | **38,392** | **38,910** | **39,005** |
| **Net cash from (used by)** | | |  |  |  |  |  |
| **operating activities** | | | **10,755** | **9,530** | **10,801** | **11,071** | **11,189** |
|  |  |  |  |  |  |  |  |
| **INVESTING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Investments | | 61,000 | 73,000 | 65,000 | 73,000 | 74,000 |
| ***Total cash received*** | | | **61,000** | **73,000** | **65,000** | **73,000** | **74,000** |
|  |  |  |  |  |  |  |  |
| **Cash used** | | |  |  |  |  |  |
|  | Purchase of property, plant | |  |  |  |  |  |
|  |  | and equipment | 18,088 | 38,964 | 18,979 | 17,055 | 19,186 |
|  | Investments | | 66,000 | 69,000 | 70,000 | 74,000 | 74,000 |
| ***Total cash used*** | | | **84,088** | **107,964** | **88,979** | **91,055** | **93,186** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **investing activities** | | **(23,088)** | **(34,964)** | **(23,979)** | **(18,055)** | **(19,186)** |

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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 |
|  |  |  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **FINANCING ACTIVITIES** | | |  |  |  |  |  |
| **Cash received** | | |  |  |  |  |  |
|  | Contributed equity | | 11,125 | 25,265 | 12,537 | 7,405 | 7,536 |
| ***Total cash received*** | | | **11,125** | **25,265** | **12,537** | **7,405** | **7,536** |
| **Net cash from (used by)** | | |  |  |  |  |  |
|  | **financing activities** | | **11,125** | **25,265** | **12,537** | **7,405** | **7,536** |
| **Net increase (decrease)** | | |  |  |  |  |  |
|  | **in cash held** | | **(1,208)** | **(169)** | **(641)** | **421** | **(461)** |
|  | Cash and cash equivalents at the | |  |  |  |  |  |
|  |  | beginning of the reporting period | 4,440 | 3,232 | 3,063 | 2,422 | 2,843 |
| **Cash and cash equivalents at the** | | |  |  |  |  |  |
|  | **end of the reporting period** | | **3,232** | **3,063** | **2,422** | **2,843** | **2,382** |

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**Table 3.2.5: Departmental Capital Budget Statement**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | Estimated | Budget | Forward | Forward | Forward |
| actual | estimate | estimate | estimate | estimate |
| 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| $'000 | $'000 | $'000 | $'000 | $'000 |
| **CAPITAL APPROPRIATIONS** | | |  |  |  |  |  |
|  | Equity injections - Bill 2 | | 11,125 | 25,265 | 12,537 | 7,405 | 7,536 |
| **Total capital appropriations** | | | **11,125** | **25,265** | **12,537** | **7,405** | **7,536** |
|  |  |  |  |  |  |  |  |
| **Represented by:** | | |  |  |  |  |  |
|  | Purchase of non-financial assets | | 11,125 | 25,265 | 12,537 | 7,405 | 7,536 |
| **Total represented by** | | | **11,125** | **25,265** | **12,537** | **7,405** | **7,536** |
|  |  |  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL** | | |  |  |  |  |  |
|  | **ASSETS** | |  |  |  |  |  |
|  | Funded by capital appropriations | | 11,125 | 25,265 | 12,537 | 7,405 | 7,536 |
|  | Funded internally from | |  |  |  |  |  |
|  |  | departmental resources1 | 7,263 | 13,999 | 6,742 | 9,950 | 11,950 |
| **TOTAL** | | | **18,388** | **39,264** | **19,279** | **17,355** | **19,486** |
|  |  |  |  |  |  |  |  |
| **RECONCILIATION OF CASH** | | |  |  |  |  |  |
|  | **USED TO ACQUIRE ASSETS** | |  |  |  |  |  |
|  | **TO ASSET MOVEMENT TABLE** | |  |  |  |  |  |
|  | Total purchases | | 18,388 | 39,264 | 19,279 | 17,355 | 19,486 |
|  |  | less Gifted assets | (300) | (300) | (300) | (300) | (300) |
|  | **Total cash used to** | |  |  |  |  |  |
|  |  | **acquire assets** | **18,088** | **38,964** | **18,979** | **17,055** | **19,186** |

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1. Includes the following sources of funding:

– current and prior year Bill 1/3 appropriations

– donations and contributions

– gifts

– internally developed assets

**Table 3.2.6: Statement of Asset Movements (2013-14)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Land | Buildings | Other | Heritage | Intangibles | Total |
|  |  |  |  |  | property, | and cultural | - Computer |  |
|  |  |  |  |  | plant and | assets | Software |  |
|  |  |  |  |  | equipment |  |  |  |
|  |  |  | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2013** | | |  |  |  |  |  |  |
|  | Gross book value | | 9,190 | 124,690 | 36,177 | 1,086,962 | 11,650 | 1,268,669 |
|  | Accumulated depreciation/amortisation | |  |  |  |  |  |  |
|  | and impairment | | - | (15,961) | (7,287) | (65,407) | (5,364) | (94,019) |
| **Opening net book balance** | | | **9,190** | **108,729** | **28,890** | **1,021,555** | **6,286** | **1,174,650** |
|  |  |  |  |  |  |  |  |  |
| **CAPITAL ASSET ADDITIONS** | | |  |  |  |  |  |  |
| **Estimated expenditure on** | | |  |  |  |  |  |  |
| **new or replacement assets** | | |  |  |  |  |  |  |
|  | By purchase | |  |  |  |  |  |  |
|  |  | Appropriation - equity1 | - | 8,085 | 9,878 | 7,302 | - | 25,265 |
|  |  | Appropriation - ordinary |  |  |  |  |  |  |
|  |  | annual services2 | 2,000 | 4,080 | 5,739 | 1,780 | 100 | 13,699 |
|  | Assets received as gifts/donations | | - | - | - | 300 | - | 300 |
| **Total additions** | | | **2,000** | **12,165** | **15,617** | **9,382** | **100** | **39,264** |
|  |  |  |  |  |  |  |  |  |
| **Other movements** | | |  |  |  |  |  |  |
|  | Depreciation/amortisation | |  |  |  |  |  |  |
|  | expense | | - | (3,904) | (3,876) | (10,175) | (899) | (18,854) |
| **Total other movements** | | | - | (3,904) | (3,876) | (10,175) | (899) | (18,854) |
| **As at 30 June 2014** | | |  |  |  |  |  |  |
|  | Gross book value | | 11,190 | 136,855 | 51,794 | 1,096,344 | 11,750 | 1,307,933 |
|  | Accumulated depreciation/amortisation | |  |  |  |  |  |  |
|  | and impairment | | - | (19,865) | (11,163) | (75,582) | (6,263) | (112,873) |
| **Closing net book balance** | | | **11,190** | **116,990** | **40,631** | **1,020,762** | **5,487** | **1,195,060** |
|  |  |  |  |  |  |  |  |  |
| **Estimated operating expenditure in income statement for** | | | | | | |  |  |
| **heritage and cultural assets** | | | | | | |  |  |
|  |  |  |  |  |  |  |  |  |
| Operations and Maintenance | | |  |  |  | 379 |  |  |
| Preservation and Conservation | | |  |  |  | 16,944 |  |  |
| **Total operating expenditure on heritage and cultural assets** | | | | | | 17,323 |  |  |

1. "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2013-14, including CDABs.
2. "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2013-14 for depreciation / amortisation expenses, DCBs / ACBs or other operational expenses.

Prepared on Australian Accounting Standards basis

**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 2012-13 $’000 | Budget 2013-14 $’000 | Forward Estimate 2014-15 $’000 | Forward Estimate 2015-16 $’000 | Forward Estimate 2016-17 $’000 |
| Written down value | |  | |  |  |  |  |
| Land and buildings | 117,919 | | | 128,180 | 126,551 | 127,182 | 127,466 |
| Infrastructure, plant and equipment | 4,312 | | | 4,218 | 4,282 | 5,068 | 4,905 |
| Exhibitions | 24,578 | | | 36,413 | 39,925 | 38,127 | 39,646 |
| Computer software | 6,286 | | | 5,487 | 4,699 | 4,103 | 3,294 |
| Heritage and cultural assets | 1,021,555 | | | 1,020,762 | 1,018,367 | 1,015,732 | 1,013,756 |
| Total | **1,174,650** | | | **1,195,060** | **1,193,824** | **1,190,212** | **1,189,067** |

**Note 6 - Intangibles**

This class of assets consists of purchased software.

Portfolio 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. |