

Portfolio Additional Estimates Statements 2015-16

Defence Portfolio
(Department of Veterans' Affairs)

Explanations of Additional Estimates 2015-16

© Commonwealth of Australia 2016

ISBN 978-0-9944775-2-1

This publication is available for your use under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence, with the exception of the Commonwealth Coat of Arms, the Department of Veterans' Affairs logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of Department of Veterans' Affairs material under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence requires you to attribute the work (but not in any way that suggests that the Department of Veterans' Affairs endorses you or your use of the work).

Department of Veterans' Affairs *material used 'as supplied'*

Provided you have not modified or transformed Department of Veterans' Affairs material in any way including, for example, by changing the Department of Veterans' Affairs text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Department of Veterans' Affairs statistics – then Department of Veterans' Affairs prefers the following attribution:

Source: The Australian Government Department of Veterans' Affairs

Derivative material

If you have modified or transformed Department of Veterans' Affairs material, or derived new material from those of the Department of Veterans' Affairs in any way, then Department of Veterans' Affairs prefers the following attribution:

Based on The Australian Government Department of Veterans' Affairs data

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the It's an Honour website (see www.itsanhonour.gov.au)

Other Uses

Inquiries regarding this licence and any other use of this document are welcome at:

Assistant Secretary

Anzac Centenary and Communication Branch

GPO Box 9998

Canberra ACT 2601

Printed by CanPrint Communications Pty Ltd



The Hon Stuart Robert MP

Minister for Veterans' Affairs

Minister for Human Services

Minister Assisting the Prime Minister for the Centenary of ANZAC

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2015-16 Additional Estimates for the Department of Veterans' Affairs Portfolio.

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

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stuart Robert', written in a cursive style.

Stuart Robert

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

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

ENQUIRIES

Should you have any enquiries regarding this publication please contact Graeme Rochow, Chief Finance Officer, Department of Veterans' Affairs on (02) 6289 6620.

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

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

USER GUIDE

The purpose of the 2015-16 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programmes supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3 and 4) 2015-16*. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook (MYEFO) 2015-16* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User Guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio Overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.

Entity Additional Estimates Statements

A statement (under the name of the entity) for each entity affected by Additional Estimates.

Section 1: Entity Overview and Resources	This section details the total resources available to an entity, the impact of any measures since Budget, and impact on <i>Appropriation Bills Nos. 3 and 4</i> .
---	---

Section 2: Revisions to Outcomes and Planned Performance	This section details changes to Government outcomes and/or changes to the planned performance of entity programmes.
---	---

Section 3: Explanatory Tables and Budgeted Financial Statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
--	---

Glossary	Explains key terms relevant to the Portfolio.
-----------------	---

CONTENTS

Portfolio Overview 3

Entity Additional Estimates Statements 7

Department of Veterans' Affairs 9

Glossary 61

PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

MINISTER AND PORTFOLIO RESPONSIBILITIES

There has been no change in the Department's role, planned outcomes or programmes structure since the 2015-16 Portfolio Budget Statements. A full outline of the Department of Veterans' Affairs (DVA) Portfolio Overview can be found in the 2015-16 Portfolio Budget Statement.

The portfolio is seeking, for the Department of Veterans' Affairs, net additional funding of \$20.8 million, including \$19.1 million for departmental expenses and \$1.4 million for administered expenses. The new appropriation funding of \$11,681.7 million being sought will provide the Department with \$11,364.1 million in administered expenses and \$317.6 million in total departmental expenses.

No additional funding is being sought for the Australian War Memorial.

Figure 1: Department of Veterans' Affairs Portfolio Structure and Outcomes



Portfolio Resources

Table 1 shows for those entities reporting in the PAES the additional resources provided to the portfolio in the 2015-16 budget year, by entity.

Table 1: Portfolio Resources 2015-16

	Appropriation			Receipts	Total
	Bill No. 3	Bill No. 4	Special		
	\$m	\$m	\$m	\$m	\$m
Department of Veterans' Affairs					
Administered appropriations	1.4	-	-	-	1.4
Departmental appropriations	19.1	-	-	0.3	19.4
Total:	20.5	-	-	0.3	20.8
Australian War Memorial					
Departmental appropriations	-	-	-	-	-
Total:	-	-	-	-	-
Portfolio Total	20.5	-	-	0.3	20.8
Resources available within portfolio:					20.8

ENTITY ADDITIONAL ESTIMATES STATEMENTS

Department of Veterans' Affairs 9

DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Entity Overview and Resources	11
1.1 Strategic Direction.....	11
1.2 Entity Resource Statement	12
1.3 Entity Measures Table	16
1.4 Additional Estimates and Variations	19
1.5 Breakdown of Additional Estimates by Appropriation Bill	22
Section 2: Revisions to Entity Outcomes and Planned Performance	23
2.1 Resources and Performance Information	23
Section 3: Explanatory Tables and Budgeted Financial Statements	41
3.1 Explanatory Tables	41
3.2 Budgeted Financial Statements	42

DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION

For more than 95 years, the Department of Veterans' Affairs (DVA) has supported those who serve or have served in defence of our nation and commemorated their service and sacrifice. This includes providing support to Australia's veterans, current serving men and women, war widows and widowers, dependants and eligible members of the Australian Federal Police.

DVA's vision is to be a responsive and flexible organisation, efficiently delivering high quality, connected services and it does this through providing a wide range of programs and financial entitlements to support the health and wellbeing of veterans and the wider veteran community.

There has been no change in the DVA's role, planned outcomes or programs structure since the 2015-16 Portfolio Budget Statements. A full outline of DVA's strategic direction can be found in the 2015-16 Portfolio Budget Statements.

Administered expenses

The additional administered funding of \$1.4 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, 1.3 and 1.4, pages 12 to 21.

Departmental expenses

The additional departmental funding of \$19.1 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, 1.3 and 1.4, pages 12 to 21.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the Department of Veterans' Affairs at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015-16 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

**Table 1.1: Department of Veterans' Affairs Resource Statement
Additional Estimates for 2015-16 as at Additional Estimates February 2016**

	<i>Total available appropriation</i>	<i>Estimate as at Budget</i>	<i>Proposed Additional Estimates</i>	<i>Total estimate at Additional Estimates 2015-16 \$'000</i>
	<i>2014-15 \$'000</i>	<i>2015-16 \$'000</i>	<i>2015-16 \$'000</i>	
Ordinary annual services¹				
Departmental				
Prior year departmental appropriation ²	-	5,568	7,827	13,395
Departmental appropriation ³	296,775	297,342	19,072	316,414
s74 Retained Revenue Receipts ⁴	9,911	9,616	286	9,902
Total	306,686	312,526	27,185	339,711
Administered expenses				
Outcome 1	41,569	42,082	-	42,082
Outcome 2	7,343	7,080	-	7,080
Outcome 3	60,252	38,122	1,379	39,501
Payments to corporate entities ⁵	47,808	44,059	-	44,059
Total	156,972	131,343	1,379	132,722
Total ordinary annual services	A 463,658	443,869	28,564	472,433
Other services⁶				
Departmental non-operating				
Equity injections	2,617	1,189	-	1,189
Total	2,617	1,189	-	1,189
Administered non-operating				
Administered Assets and Liabilities	6,061	-	-	-
Payments to corporate entities - non-operating	12,444	7,472	-	7,472
Total	18,505	7,472	-	7,472
Total other services	B 21,122	8,661	-	8,661
Total available annual appropriations	484,780	452,530	28,564	481,094

Continued on next page

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

	<i>Total available appropriation</i>	Estimate as at + Budget	Proposed Additional = Estimates	Total estimate at Additional Estimates 2015-16 \$'000
	<i>2014-15 \$'000</i>	2015-16 \$'000	2015-16 \$'000	
Special appropriations				
Special appropriations limited by criteria/entitlement				
Outcome 1				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	52	70	(14)	56
<i>Veterans' Entitlements Act 1986 (VEA)</i>	6,012,242	5,738,445	15,524	5,753,969
<i>Defence Service Homes Act 1918</i>	1,363	1,219	-	1,219
<i>Safety, Rehabilitation and Compensation Act 1988</i>	131,258	132,180	485	132,665
<i>Military Rehabilitation and Compensation Act 2004</i>	265,728	267,293	12,807	280,100
Total Outcome 1	6,410,643	6,139,207	28,802	6,168,009
Outcome 2				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	4,998,931	5,155,621	(191,933)	4,963,688
<i>Safety, Rehabilitation and Compensation Act 1988</i>	36,699	39,548	(1,208)	38,340
<i>Military Rehabilitation and Compensation Act 2004</i>	48,864	42,201	11,344	53,545
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	347	420	(60)	360
Total Outcome 2	5,084,841	5,237,790	(181,857)	5,055,933
Total special appropriations	11,495,484	11,376,997	(153,055)	11,223,942
Total appropriations excluding Special Accounts	11,980,264	11,829,527	(124,491)	11,705,036

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

	<i>Total available appropriation</i>	Estimate as at + Budget	Proposed Additional = Estimate	Total estimate at Additional Estimates 2015-16 \$'000
	2014-15 \$'000	2015-16 \$'000	2015-16 \$'000	
Special Accounts				
Opening balance ⁷	2,051	1,215	1,197	2,412
Appropriation Receipts ⁸	320	120	-	120
Special Accounts	49,211	44,801	-	44,801
Total Special Account	D 51,582	46,136	1,197	47,333
Total resourcing				
A+B+C+D	12,031,846	11,875,663	(123,294)	11,752,369
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	56,772	51,651	-	51,651
Total net resourcing for DVA	11,975,074	11,824,012	(123,294)	11,700,718

1. *Appropriation Act (No. 1) 2015-16 and Appropriation Bill (No. 3) 2015-16.*
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Includes an amount of \$13.3m in 2015-16 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.
4. Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.
5. 'Corporate Entities' are Corporate Commonwealth Entities and Commonwealth Companies as defined under the *PGPA Act 2013*.
6. *Appropriation Act (No. 2) 2015-16 and Appropriation Bill (No. 4) 2015-16.*
7. Estimated opening balance for special accounts (less 'Special Public Money' held in a *Services for Other Entities and Trust Monies Special Accounts (SOETM)*). For further information on Special Accounts see Table 3.1.1.
8. Appropriation receipts credited into DSHIS special account included in total departmental appropriation. For further information, see Table 3.1.1. (Note: Non-appropriation receipts other than those of the DSHIS special account are excluded as these represent Special Public Monies).

Reader note: All figures are GST exclusive.

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)**Third Party Payments from and on behalf of other entities**

	Estimate at Budget	Estimate at Additional Estimates
	2015-16 \$'000	2015-16 \$'000
Receipts received from the Department of Defence for the provision of services (disclosed above in s74 Retained Revenue Receipts section above)	6,767	7,466
Payments made to corporate entities within the Portfolio		
Australian War Memorial - Bill 1	44,073	44,059
Australian War Memorial - Bill 2	7,472	7,472
Payments made on behalf of Department of Social Services		
<i>Social Security (Administration) Act 1999</i>	51,598	50,615
Payments made on behalf of Department of Social Services		
<i>A New Tax System (Family Assistance)(Administration) Act 1999</i>	1,095	1,139
Payments made on behalf of Department of Social Services for the provision of services	194	194
Payments made by the Department of Human Services (DHS) on behalf of DVA		
<i>Veterans' Entitlements Act 1986,</i>	3,870,534	3,833,294
<i>Military Rehabilitation and Compensation Act 2004</i>	41,064	43,807
<i>Safety, Rehabilitation and Compensation Act 1988</i>	18,701	14,891
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	420	360
Payments made to DHS for processing payment of health care provider treatment accounts and the provision of IT services	33,825	26,880

1.3 ENTITY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2015-16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2015-16 Measures since Budget

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Expense measures					
Outcome 1					
Age Pension - aligning the pension means testing arrangements with residential aged care arrangements ¹					
	1.1				
Administered expenses		—	(231)	(1,830)	(3,431)
Departmental expenses		—	257	70	188
Total		—	26	(1,760)	(3,243)
Total Outcome 1					
Administered expenses		—	(231)	(1,830)	(3,431)
Departmental expenses		—	257	70	188
Total		—	26	(1,760)	(3,243)
Outcome 2					
Medicare Benefits Schedule – new and amended listings ²					
	2.1				
Administered expenses		(27)	(41)	(20)	(15)
Total		(27)	(41)	(20)	(15)
The Australian Government's Response to the National Ice Taskforce Final Report ²					
	2.1				
Administered expenses		—	29	42	42
Total		—	29	42	42
Pharmaceutical Benefits Scheme - new and amended listings ²					
	2.1 & 2.3				
Administered expenses		2,917	3,725	3,916	4,176
Total		2,917	3,725	3,916	4,176

Continued on next page

Table 1.2: Entity 2015-16 Measures since Budget (continued)

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Expense measures					
Outcome 2					
Sixth Community Pharmacy Agreement and Pharmaceutical Benefits Scheme Reforms ²	2.3				
Administered expenses		(9,806)	(31,042)	(31,271)	(26,077)
Departmental expenses		1,300	—	—	—
Total		(8,506)	(31,042)	(31,271)	(26,077)
Pharmaceutical Benefits Scheme - price amendments ²	2.3				
Administered expenses		227	300	285	281
Total		227	300	285	281
Repatriation Pharmaceutical Benefits Scheme - new listings and price amendments	2.3				
Administered expenses		71	128	115	109
Total		71	128	115	109
Aged Care Provider Funding – revision to Aged Care Funding Instrument Complex Health Care Domain ²	2.4				
Administered expenses		—	(11,920)	(17,861)	(24,315)
Total		—	(11,920)	(17,861)	(24,315)
Total Outcome 2					
Administered expenses		(6,618)	(38,821)	(44,794)	(45,799)
Departmental expenses		1,300	—	—	—
Total		(5,318)	(38,821)	(44,794)	(45,799)
Outcome 3					
Saluting Their Service Commemorative Grants Programme - Vietnam War Commemorative Grants	3.1				
Administered expenses		—	—	—	—
Departmental expenses		—	—	—	—
Total		—	—	—	—
Repatriation of Australian Remains from Terendak Military Cemetery in Malaysia and the Kranji War Cemetery in Singapore	3.1				
Administered expenses		1,426	—	—	—
Departmental expenses		301	74	—	—
Total		1,727	74	—	—

Continued on next page

Table 1.2: Entity 2015-16 Measures since Budget (continued)

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Expense measures					
Outcome 3					
Total Outcome 3					
Administered expenses		1,426	–	–	–
Departmental expenses		301	74	–	–
Total		1,727	74	–	–
All Outcomes					
Department of Veterans' Affairs - additional funding	All				
Departmental expenses		16,100	–	–	–
Total		16,100	–	–	–
Total Outcome All					
Departmental expenses		16,100	–	–	–
Total		16,100	–	–	–
Total expense measures					
Administered		(5,192)	(39,052)	(46,624)	(49,230)
Departmental		17,701	331	70	188
Total		12,509	(38,721)	(46,554)	(49,042)
Capital Measures					
Age Pension - aligning the pension means testing arrangements with residential aged care arrangements ¹	1.1				
Departmental Capital		–	216	–	–
Total capital measures					
Departmental		–	216	–	–
Total		–	216	–	–

Prepared on a Government Finance Statistics (fiscal) basis.

¹ The lead agency for this measure is the Department of Social Services. The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO)² The lead agency for this measure is the Department of Health. The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO)

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Department of Veterans' Affairs at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2015-16 Budget in Appropriation Bills Nos. 3 and 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional Estimates and Variations to Outcomes from Measures since 2015-16 Budget

	Programme impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Outcome 1					
Increase in estimates (departmental)					
Age Pension - aligning the pension means testing arrangements with residential aged care arrangements	1.1	—	257	70	188
Age Pension - aligning the pension means testing arrangements with residential aged care arrangements (Capital)	1.1	—	216	—	—
Net impact on estimates for Outcome 1 (departmental)		—	473	70	188
Outcome 2					
Increase in estimates (departmental)					
Sixth Community Pharmacy Agreement and Pharmaceutical Benefits Scheme Reforms	2.3	1,300	—	—	—
Net impact on estimates for Outcome 2 (departmental)		1,300	—	—	—
Outcome 3					
Increase in estimates (administered)					
Repatriation of Australian Remains from Terendak Military Cemetery in Malaysia and the Kranji War Cemetery in Singapore	3.1	1,426	—	—	—
Net impact on estimates for Outcome 3 (administered)		1,426	—	—	—
Increase in estimates (departmental)					
Repatriation of Australian Remains from Terendak Military Cemetery in Malaysia and the Kranji War Cemetery in Singapore	3.1	301	74	—	—
Net impact on estimates for Outcome 3 (departmental)		301	74	—	—
Outcome All					
Increase in estimates (departmental)					
Department of Veterans' Affairs - additional funding	All	16,100	—	—	—
Net impact on estimates for Outcome All (departmental)		16,100	—	—	—

Prepared on a Government Financial Statistics (fiscal balance)

Table 1.4: Additional Estimates and Variations to Outcomes from Other Variations

	Programme Impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Outcome 1	1.1-1.6				
Increase in estimates (administered)					
Movement of funds between years		1,479	–	–	–
Decrease in estimates (administered)					
Change in price and wage indices		(40)	(77)	(133)	(154)
Self balancing transfers within the same year		(1,479)	–	–	–
Net impact on estimates for Outcome 1 (administered)		(40)	(77)	(133)	(154)
Increase in estimates (departmental)					
Self balancing transfers within the same year		802	–	–	–
Decrease in estimates (departmental)					
Change in price and wage indices		–	–	(151)	(304)
Net impact on estimates for Outcome 1 (departmental)		802	–	(151)	(304)
Outcome 2	2.1-2.6				
Decrease in estimates (administered)					
Change in price and wage indices		(2)	(6)	(14)	(20)
Change in beneficiary composition or rates		(172)	(166)	(139)	(164)
Net impact on estimates for Outcome 2 (administered)		(174)	(172)	(153)	(184)
Increase in estimates (departmental)					
Self balancing transfers within the same year		540	–	–	–
Decrease in estimates (departmental)					
Change in price and wage indices		–	–	(98)	(198)
Net impact on estimates for Outcome 2 (departmental)		540	–	(98)	(198)
Outcome 3	3.1-3.2				
Increase in estimates (administered)					
Movement of funds between years		–	28	–	–
Decrease in estimates (administered)					
Change in price and wage indices		(47)	(82)	(121)	(127)
Net impact on estimates for Outcome 3 (administered)		(47)	(54)	(121)	(127)
Increase in estimates (departmental)					
Self balancing transfers within the same year		137	–	–	–
Decrease in estimates (departmental)					
Change in price and wage indices		–	–	(28)	(51)
Net impact on estimates for Outcome 3 (departmental)		137	–	(28)	(51)

Continued on next page

Table 1.4: Additional Estimates and Variations to Outcomes from Other Variations (continued)

	Programme	2015-16	2016-17	2017-18	2018-19
	Impacted	\$'000	\$'000	\$'000	\$'000
Outcome All	All				
Decrease in estimates (departmental)					
Whole of Government Savings		(108)	(108)	(108)	(108)
Net impact on estimates for Outcome All (departmental)		(108)	(108)	(108)	(108)

1. Excludes movements in liability provision for the Safety, Rehabilitation and Compensation and Military Rehabilitation and Compensation Schemes

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of Veterans' Affairs through *Appropriation Bills Nos. 3 and 4*.

Table 1.5: Appropriation Bill (No. 3) 2015-16

	2014-15 Available \$'000	2015-16 Budget \$'000	2015-16 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
ADMINISTERED ITEMS					
Outcome 1	40,090	42,082	42,042	–	(40)
Outcome 2	7,343	7,080	6,906	–	(174)
Outcome 3	57,792	38,122	39,501	1,379	–
Total	105,225	87,284	88,449	1,379	(214)
DEPARTMENTAL PROGRAMMES					
Outcome 1¹	162,219	160,515	169,939	9,424	–
Outcome 2¹	108,935	109,511	117,226	7,715	–
Outcome 3¹	25,621	27,316	29,249	1,933	–
Total	296,775	297,342	316,414	19,072	–
Total administered and departmental	402,000	384,626	404,863	20,451	(214)

Table 1.6: Appropriation Bill (No. 4) 2015-16

	2014-15 Available \$'000	2015-16 Budget \$'000	2015-16 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Non-operating					
Equity Injections	1,913	1,189	1,189	–	–
Total Departmental	1,913	1,189	1,189	–	–
Administered Assets and Liabilities					
Administered Assets and Liabilities	6,061	–	–	–	–
Total Administered	6,061	–	–	–	–
Total non-operating	7,974	1,189	1,189	–	–

Section 2: Revisions to Entity Resources and Planned Performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change in the Department's role, planned outcomes or programmes structure since the 2015-16 Portfolio Budget Statements. Therefore, the objectives, deliverables and targets have not been altered. Complete details of the Department's resources and performance information can be found in the 2015-16 Portfolio Budget Statements.

OUTCOME 1

Outcome 1 Strategy

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.

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

Table 2.1: Budgeted Expenses and Resources for Outcome 1

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Programme 1.1: Veterans' Income Support and Allowances		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	2,662,349	2,535,713
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	59,216	60,811
Expenses not requiring appropriation in the Budget year ²	12,220	7,516
Total for Programme 1.1	2,733,785	2,604,040
Programme 1.2: Veterans' Disability Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	11,628	13,916
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,567,166	1,549,256
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	39,877	40,985
Expenses not requiring appropriation in the Budget year ²	7,339	4,512
Total for Programme 1.2	1,626,009	1,608,669

Continued on next page

Table 2.1: Budgeted Expenses and Resources for Outcome 1 (continued)

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Outcome 1:		
Programme 1.3: Assistance to Defence Widow/ers and Dependants		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,774,936	1,690,189
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	11,426	11,757
Expenses not requiring appropriation in the Budget year ²	2,111	1,297
Total for Programme 1.3	1,788,472	1,703,243
Programme 1.4: Assistance and Other Compensation for Veterans and Dependants		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	7,821	8,005
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	18,580	16,155
Departmental Expenses		
Departmental appropriation ¹	17,393	17,863
Expenses not requiring appropriation in the Budget year ²	2,888	1,776
Special Accounts ³	39,021	34,760
Total for Programme 1.4	85,703	78,559
Programme 1.5: Veterans' Children Education Scheme		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	15,516	15,576
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	3,279	3,385
Expenses not requiring appropriation in the Budget year ²	656	404
Total for Programme 1.5	19,451	19,365

Continued on next page

Table 2.1: Budgeted Expenses and Resources for Outcome 1 (continued)

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Outcome 1:		
Programme 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	4,450	4,633
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	395,988	414,050
Special Accounts	197	282
Departmental Expenses		
Departmental appropriation ¹	34,380	35,333
Expenses not requiring appropriation in the Budget year ²	5,506	3,384
Total for Programme 1.6	440,521	457,682
Programme 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	1,240,700	132,800
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Programme 1.7	1,240,700	132,800
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	39,414	42,130
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	6,419,019	6,205,363
Special Accounts	197	282
Expenses not requiring appropriation in the Budget year	1,240,700	132,800
Departmental Expenses		
Departmental appropriation ¹	165,570	170,134
Expenses not requiring appropriation in the Budget year ²	30,720	18,889
Special Accounts ³	39,021	34,760
Total Expenses for Outcome 1	7,934,640	6,604,358
Average Staffing Level (number)	2014-15	2015-16
	1,062	1,037

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and ATO Data Matching Services.
3. DSHIS expenses (Section 3, Table 3.1.1 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.

Programme 1.1: Veterans' Income Support and Allowances**Programme 1.1: expenses**

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$('000)					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income support pensions	2,631,717	2,531,130	2,437,891	2,311,962	2,250,279
Other allowances	30,632	4,583	4,263	4,026	3,836
Programme support	59,216	60,811	59,056	59,328	58,234
Expenses not requiring appropriation in the Budget year	12,220	7,516	6,312	5,826	5,949
Total programme expenses	2,733,785	2,604,040	2,507,522	2,381,142	2,318,298

Programme 1.2: Veterans' Disability Support**Programme 1.2: expenses**

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$('000)					
Annual Administered Expenses:					
Appropriation Bill No. 1 & 3					
Medical examinations, fares and expenses	11,027	13,130	14,089	14,458	14,401
Repayments of maintenance deductions	-	71	71	71	71
Vehicle Assistance Scheme	601	715	713	729	729
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability pensions	1,564,927	1,547,022	1,528,501	1,528,507	1,541,059
Loss of earnings	423	439	429	418	398
Recreation transport allowance	1,816	1,795	1,644	1,532	1,443
Programme support	39,877	40,985	39,803	39,985	39,248
Expenses not requiring appropriation in the Budget year	7,339	4,512	3,790	3,498	3,570
Total programme expenses	1,626,009	1,608,669	1,589,040	1,589,198	1,600,919

Programme 1.3: Assistance to Defence Widow/ers and Dependants**Programme 1.3: expenses**

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(‘000)					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widows pension	1,774,936	1,690,189	1,592,440	1,456,714	1,312,368
Programme support	11,426	11,757	11,418	11,470	11,259
Expenses not requiring appropriation in the Budget year	2,111	1,297	1,090	1,006	1,026
Total programme expenses	1,788,472	1,703,243	1,604,948	1,469,190	1,324,653

Programme 1.4: Assistance and Other Compensation for Veterans and Dependants**Programme 1.4: expenses**

	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Revised	Forward	Forward	Forward
\$(‘000)	expenses	budget	year 1	year 2	year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Compensation and Legal Expenses	1,917	1,585	1,612	1,638	1,632
Defective Administration	183	250	249	248	247
Payments to ESOs (BEST & TIP)	4,978	4,993	5,078	5,070	5,069
Veterans' Access to Community Information	687	1,100	1,117	1,137	1,135
Act of Grace	55	77	79	81	81
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral benefits	10,214	9,042	8,035	7,141	6,346
POW (J)	-	50	25	25	25
POW (E)	6,241	4,984	4,016	3,236	2,607
Compensation payments for BCAL veterans	739	804	761	720	681
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	53	56	58	60	62
<i>Defence Service Homes Act 1918</i>					
Interest subsidy	1,333	1,219	1,030	877	753
Special Account expenses:					
DSHIS	39,021	34,760	35,360	35,960	36,560
Programme support	17,393	17,863	17,348	17,427	17,106
Expenses not requiring appropriation in the Budget year	2,888	1,776	1,492	1,377	1,405
Total programme expenses	85,703	78,559	76,260	74,997	73,709

Programme 1.5: Veterans' Children Education Scheme**Programme 1.5: expenses**

	2014-15	2015-16	2016-17	2017-18	2018-19
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Veterans' Children Education Scheme	15,516	15,576	15,645	16,085	16,085
Programme support	3,279	3,385	3,288	3,303	3,242
Expenses not requiring appropriation in the Budget year	656	404	339	313	319
Total programme expenses	19,451	19,365	19,272	19,701	19,646

Programme 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation

Programme 1.6: expenses

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(000)					
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Other income support and compensation-related payments - SRCA	2,703	2,696	2,691	2,752	2,752
Other income support and compensation-related payments - MRCA	1,747	1,937	569	435	317
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent impairment	44,095	41,113	36,740	37,566	34,991
Benefits for eligible dependants	12,540	16,490	16,163	15,669	15,179
Incapacity payments	67,118	67,869	63,897	62,530	61,192
Medical examinations	4,535	4,868	4,402	4,575	4,400
Death payments	1,810	2,496	2,363	2,433	2,429
Other income support and compensation-related payments	174	335	335	343	343
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	144,894	153,327	138,641	126,787	125,177
Benefits for eligible dependants	7,632	8,364	8,128	7,938	7,533
Income maintenance payments	101,371	106,908	115,107	125,748	137,381
Medical examinations	11,770	12,243	12,684	13,098	13,522
Other income support and compensation-related payments	48	37	37	38	38
Special Account Expenses:					
Military death claim compensation	197	282	246	619	360
Programme support	34,380	35,333	34,314	34,470	33,836
Expenses not requiring appropriation in the Budget year	5,506	3,384	2,843	2,624	2,678
Total programme expenses	440,521	457,682	439,160	437,625	442,128

**Programme 1.7: Adjustment to the Military Rehabilitation and Compensation Acts
Liability Provision - Income Support and Compensation**

Programme 1.7: expenses

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	1,240,700	132,800	196,400	221,800	229,900
Total programme expenses	1,240,700	132,800	196,400	221,800	229,900

OUTCOME 2

Outcome 2 Strategy

Maintain and enhance the physical wellbeing and quality of the 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.

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

Table 2.2: Budgeted Expenses and Resources for Outcome 2

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Programme 2.1: General Medical Consultations and Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	857,754	854,186
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	20,701	21,278
Expenses not requiring appropriation in the Budget year ²	470	288
Total for Programme 2.1	878,925	875,752
Programme 2.2: Veterans' Hospital Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,629,156	1,599,953
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	10,081	10,367
Expenses not requiring appropriation in the Budget year ²	1,569	966
Total for Programme 2.2	1,640,806	1,611,286
Programme 2.3: Veterans' Pharmaceuticals Benefits		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	355,347	365,321
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,213	1,239
Expenses not requiring appropriation in the Budget year ²	61	37
Total for Programme 2.3	356,621	366,597

Continued on next page

Table 2.2: Budgeted Expenses and Resources for Outcome 2 (continued)

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Outcome 2:		
Programme 2.4: Veterans' Community Care and Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	2,449	2,240
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,538,309	1,529,147
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	29,365	30,194
Expenses not requiring appropriation in the Budget year ²	4,692	2,886
Total for Programme 2.4	1,574,815	1,564,467
Programme 2.5: Veterans' Counselling and Other Health Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	4,057	4,666
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	604,972	624,963
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	28,865	29,681
Expenses not requiring appropriation in the Budget year ²	3,558	2,188
Total for Programme 2.5	641,451	661,498
Programme 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	87,293	91,885
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	14,247	14,629
Expenses not requiring appropriation in the Budget year ²	2,641	1,623
Total for Programme 2.6	104,182	108,137

Continued on next page

Table 2.2: Budgeted Expenses and Resources for Outcome 2 (continued)

	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Outcome 2:		
Programme 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	-	-
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	453,300	59,800
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Programme 2.7	453,300	59,800
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	6,505	6,906
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	5,072,831	5,065,455
Expenses not requiring appropriation in the Budget year	453,300	59,800
Departmental Expenses		
Departmental appropriation ¹	104,472	107,388
Expenses not requiring appropriation in the Budget year ²	12,992	7,988
Total expenses for Outcome 2	5,650,100	5,247,537
	2014-15	2015-16
Average Staffing Level (number)	638	616

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and ATO Data Matching Services.

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

Programme 2.1: General Medical Consultations and Services

Programme 2.1 expenses

	2014-15	2015-16	2016-17	2017-18	2018-19
\$(‘000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO consultations	162,400	161,879	160,733	159,017	157,473
Specialist consultations	145,300	142,948	137,682	132,348	127,348
Medical services	452,616	449,939	443,349	436,269	429,918
Dental	97,438	99,420	98,303	96,999	95,805
Programme support	20,701	21,278	20,664	20,759	20,377
Expenses not requiring appropriation in the Budget year	470	288	242	224	228
Total programme expenses	878,925	875,752	860,973	845,616	831,149

Programme 2.2: Veterans' Hospital Services

Programme 2.2 expenses

	2014-15	2015-16	2016-17	2017-18	2018-19
\$(‘000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Public hospitals	778,548	743,466	755,012	769,193	783,283
Private hospitals	847,098	853,175	851,870	848,315	842,687
Psych	-	1	1	1	1
Nursing homes (POW)	3,510	3,311	3,141	2,993	2,861
Programme support	10,081	10,367	10,068	10,114	9,928
Expenses not requiring appropriation in the Budget year	1,569	966	811	749	764
Total programme expenses	1,640,806	1,611,286	1,620,903	1,631,365	1,639,524

Programme 2.3: Veterans' Pharmaceuticals Benefits**Programme 2.3 expenses**

	2014-15	2015-16	2016-17	2017-18	2018-19
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical services	355,347	365,321	334,842	319,045	309,778
Programme support	1,213	1,239	1,203	1,209	1,187
Expenses not requiring appropriation in the Budget year	61	37	31	29	30
Total programme expenses	356,621	366,597	336,076	320,283	310,995

Programme 2.4: Veterans' Community Care and Support**Programme 2.4 expenses**

	2014-15	2015-16	2016-17	2017-18	2018-19
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Grants-In-Aid	112	145	145	145	145
Community Care Grants	630	624	634	642	640
Joint Venture Grants	1,110	1,103	1,120	1,133	1,129
JV Day Clubs	367	368	373	397	396
JV Home Maintenance ¹	231	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential care ²	1,326,683	1,278,466	1,231,968	1,189,646	1,148,335
Community nursing	109,302	137,478	138,023	138,715	139,793
Veterans' Home Care	90,706	99,990	104,100	101,600	100,801
In-home respite	10,662	12,015	11,815	11,592	11,382
Carer and volunteer support	956	1,198	1,404	1,409	1,410
Programme support	29,365	30,194	29,324	29,458	28,915
Expenses not requiring appropriation in the Budget year	4,692	2,886	2,424	2,237	2,283
Total programme expenses	1,574,815	1,564,467	1,521,330	1,476,974	1,435,229

1. The Veterans Home Maintenance Line ceased on 5 February 2015.

2. Residential Care estimates have been revised on the basis of population trends as Veterans' Affairs clients are declining as a proportion of the overall Residential Care population. This is offset by increasing Residential Care demand from Department of Health clients and does not constitute a reduction to the whole of government Residential Care estimate.

Programme 2.5: Veterans' Counselling and Other Health Services**Programme 2.5 expenses**

	2014-15	2015-16	2016-17	2017-18	2018-19
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual Administered Expenses:					
Appropriation Bill No. 1 & 3					
Counselling support & children's assistance	1,208	1,504	1,233	857	854
Compensation and legal expenses	-5	55	56	57	57
Veterans' employment & training	623	618	648	697	697
Health & medical research	2,231	2,489	2,527	2,566	2,606
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for treatment	168,218	184,167	185,798	190,794	195,750
Subsistence	6,124	6,518	6,588	6,662	6,754
Veterans and veterans' families counselling services	30,758	32,637	33,952	35,102	36,621
Non-institutional care - services	168,826	164,084	161,177	156,816	151,680
Non-institutional care - products	61,833	58,565	55,814	53,073	50,371
Rehabilitation appliances*	160,076	169,832	171,684	173,637	177,137
Health treatment for BCAL veterans	8,792	8,800	8,000	7,984	7,976
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear test health care payments	347	360	360	379	379
Programme support	28,865	29,681	28,825	28,956	28,423
Expenses not requiring appropriation in the Budget year	3,558	2,188	1,838	1,696	1,731
Total programme expenses	641,451	661,498	658,500	659,276	661,036

* A range of falls prevention appliances previously provided under HomeFront are available effective 6 February 2015 under Rehabilitation Appliances.

Programme 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services

Programme 2.6 expenses

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(‘000)					
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical services	22,014	22,632	20,114	20,495	20,415
Rehabilitation services	5,613	6,258	6,154	6,252	6,228
Other services	9,736	9,450	9,300	8,883	7,976
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	34,889	40,400	38,612	38,198	40,221
Rehabilitation services	12,967	10,741	11,129	11,491	11,867
Other services	2,075	2,404	2,843	2,888	2,877
Programme support	14,247	14,629	14,207	14,272	14,009
Expenses not requiring appropriation in the Budget year	2,641	1,623	1,363	1,258	1,284
Total programme expenses	104,182	108,137	103,722	103,737	104,877

Programme 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services

Programme 2.7 expenses

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(‘000)					
Administered Expenses					
Expenses not requiring appropriation in the Budget year	453,300	59,800	79,800	85,600	88,100
Total programme expenses	453,300	59,800	79,800	85,600	88,100

OUTCOME 3

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

Table 2.3: Budgeted Expenses and Resources for Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations.	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Programme 3.1: War Graves and Commemorations		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	50,040	33,655
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	11,515	22,527
Departmental Expenses		
Departmental appropriation ¹	22,641	23,273
Expenses not requiring appropriation in the Budget year ²	3,671	1,885
Total for Programme 3.1	87,867	81,340
Programme 3.2: Gallipoli-related Activities		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	8,614	5,846
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,397	1,451
Expenses not requiring appropriation in the Budget year ²	106	66
Total for Programme 3.2	10,118	7,363
Outcome 3 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	58,654	39,501
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	11,515	22,527
Departmental Expenses		
Departmental appropriation ¹	24,038	24,724
Expenses not requiring appropriation in the Budget year ²	3,777	1,951
Total expenses for Outcome 3	97,984	88,703
	2014-15	2015-16
Average Staffing Level (number)	149	170

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and ATO Data Matching Services.

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

Programme 3.1: War Graves and Commemorations**Programme 3.1 expenses**

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(000)					
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
War graves care & maintenance	21,031	17,068	16,349	16,929	17,350
OAWG refurbishment, reconstruction & relocation	998	1,000	1,023	1,047	1,047
Compensation and legal expenses	-	5	5	5	5
Veterans' commemorative activities	28,011	15,582	14,145	15,190	10,438
Special Account Expenses:					
Australians at War	-	-	-	-	-
Services for Other Entities and Trust Moneys Special Account	174	102	102	122	102
Anzac Centenary Public Fund Special Account	11,341	22,425	19,600	8,500	8,500
Programme support	22,641	23,273	22,602	22,705	22,287
Expenses not requiring appropriation in the Budget year	3,671	1,885	1,584	1,462	1,492
Total programme expenses	87,867	81,340	75,410	65,960	61,221

Programme 3.2: Gallipoli-related Activities**Programme 3.2 expenses**

	2014-15 Actual expenses	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
\$(000)					
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Gallipoli-related activities	8,614	5,846	3,611	3,683	3,195
Programme support	1,397	1,451	1,409	1,415	1,389
Expenses not requiring appropriation in the Budget year	106	66	56	51	52
Total programme expenses	10,118	7,363	5,076	5,149	4,636

Section 3: Explanatory Tables and Budgeted Financial Statements

3.1 EXPLANATORY TABLES

Estimates of Special Account Flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Veterans' Affairs. The corresponding table in the 2015-16 PB Statements is Table 3.1.2.

Table 3.1.1: Estimates of Special Account Flows and Balances

		Opening balance 2015-16 2014-15	Receipts 2015-16 2014-15	Payments 2015-16 2014-15	Closing balance 2015-16 2014-15
	Outcome	\$'000	\$'000	\$'000	\$'000
Military Death Claim	1	145	282	282	145
Compensation Special Account (A)		305	1,757	1,917	145
Defence Service Homes	1	2,412	44,921	44,900	2,433
Insurance Account (D)		2,051	62,132	48,131	2,412
Australians at War	3	265	6	-	271
Special Account (A)		231	34	-	265
Anzac Centenary Public Fund		10,955	24,000	22,425	12,530
Special Account (A)	3	4,058	18,238	11,341	10,955
Services for Other Entities and Trust Moneys Special Account (A)	3	218	75	102	191
		236	156	174	218
Total Special Accounts					
2015-16 Budget estimate		13,995	69,284	67,709	15,570
<i>Total Special Accounts</i>					
<i>2014-15 actual</i>		6,881	82,317	61,563	13,995

(A) = Administered

(D) = Departmental

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of Budgeted Financial Statements

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 Services Homes Insurance Scheme (DSHIS), and DSHIS.

Departmental (DVA excluding DSHIS)

Budgeted Departmental Income Statement

The Department is budgeting a surplus of \$16.1m in 2015-16 due to supplementary funding from the government.

Budgeted Departmental Balance Sheet

The Department's net asset (equity) position for the 2015-16 financial year is projected to be \$29.8 million, which is an increase of \$13.9 million from the estimated Budget figure of \$15.9 million. This change in equity is a result of an increase in estimated accumulated results of \$16.7 million mainly due to the supplementary funding provided by the government. This has been offset by a decrease in asset revaluation reserve of \$2.9 million as a result of revaluation at 30 June 2015.

3.2.2 Budgeted Financial Statements

**Table 3.2.1a: Budgeted Departmental Comprehensive Income Statement (amalgamated)
(Showing Net Cost of Services)**

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
EXPENSE					
Employee benefits	189,989	190,733	186,112	184,197	180,816
Supplier expenses	109,720	113,939	108,573	111,569	109,637
Depreciation and amortisation	28,836	28,003	23,390	21,525	21,986
Insurance claims	34,201	29,000	29,500	30,000	30,500
Other expenses	18,045	-	-	-	-
Total expenses	380,791	361,675	347,575	347,291	342,939
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	45,544	44,902	42,540	43,549	39,149
Resources received free of charge	827	825	825	825	825
Other revenue	4,264	4,600	4,700	4,800	4,900
Total revenue	50,635	50,327	48,065	49,174	44,874
Gains					
Other gains	94	-	-	-	-
Total gains	94	-	-	-	-
Total own-source income	50,729	50,327	48,065	49,174	44,874
Net cost of services	330,062	311,348	299,510	298,117	298,065
Revenue from Government	283,306	303,097	280,272	281,244	281,029
Surplus (Deficit) before income tax	(46,756)	(8,251)	(19,238)	(16,873)	(17,036)

Continued on next page

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

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax expense (competitive neutrality)	250	202	202	202	-
Surplus (Deficit) after income tax	(47,006)	(8,453)	(19,440)	(17,075)	(17,036)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	(2,879)	-	-	-	-
Total other comprehensive income	(2,879)	-	-	-	-
Total comprehensive income attributable to the Australian Government	(49,885)	(8,453)	(19,440)	(17,075)	(17,036)
Note: Reconciliation of operating result attributable to the agency					
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(49,885)	(8,453)	(19,440)	(17,075)	(17,036)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	28,836	28,003	23,390	21,525	21,986
Total Comprehensive Income (loss) Attributable to the agency	(21,049)	19,550	3,950	4,450	4,950

Prepared on Australian Accounting Standards basis

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

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
ASSETS					
Financial assets					
Cash and equivalents	5,122	3,924	3,780	3,748	3,823
Trade and other receivables	16,736	16,736	16,736	16,736	16,736
Appropriation receivables	8,273	5,408	3,563	2,560	640
Investments	54,893	57,893	60,693	63,293	65,593
Total financial assets	85,024	83,961	84,772	86,337	86,792
Non-financial assets					
Land and buildings	13,088	7,218	13,378	12,086	17,425
Infrastructure, plant and equipment	3,141	4,191	5,677	7,378	9,083
Intangibles	87,798	79,122	61,807	53,866	38,870
Other non-financial assets	8,932	7,681	7,681	7,681	7,681
Total non-financial assets	112,959	98,212	88,543	81,011	73,059
Total assets	197,983	182,173	173,315	167,348	159,851
LIABILITIES					
Payables					
Supplier payables	20,596	19,608	18,390	17,856	17,161
Other payables	28,597	23,876	24,536	24,535	24,514
Total payables	49,193	43,484	42,926	42,391	41,675
Provisions					
Employee provisions	68,032	57,157	55,705	55,234	54,034
Other provisions	24,341	20,412	19,283	17,404	14,825
Total provisions	92,373	77,569	74,988	72,638	68,859
Total liabilities	141,566	121,053	117,914	115,029	110,534
Net assets	56,417	61,120	55,401	52,319	49,317
Equity					
Contributed equity	204,047	218,553	232,274	246,267	260,301
Asset revaluation reserve	10,592	10,592	10,592	10,592	10,592
Retained surplus (accumulated deficit)	(158,222)	(168,025)	(187,465)	(204,540)	(221,576)
Total equity	56,417	61,120	55,401	52,319	49,317

Prepared on Australian Accounting Standards basis

Table 3.2.3a: Budgeted Departmental Statement of Cash Flows (amalgamated) (for the period ended 30 June)

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	293,142	316,528	289,331	289,470	284,772
Sale of goods and services	51,757	52,959	50,261	51,271	46,331
Net GST received	8,378	9,435	9,457	9,587	10,210
Other	8,933	2,801	2,801	2,801	2,801
Total cash received	362,210	381,723	351,850	353,129	344,114
Cash used					
Employees	188,330	200,217	187,315	184,468	181,866
Suppliers	119,921	132,836	117,363	120,518	118,900
Other	52,013	48,218	44,516	45,575	40,973
Total cash used	360,264	381,271	349,194	350,561	341,739
Net cash from or (used by) operating activities	1,946	452	2,656	2,568	2,375
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	1,350	-	-	-
Investments realised	11,935	-	-	-	-
Total cash received	11,935	1,350	-	-	-
Cash used					
Purchase of property, plant and equipment, and intangibles	15,390	14,506	13,721	13,993	14,034
Purchase of investments	13,640	3,000	2,800	2,600	2,300
Total cash used	29,030	17,506	16,521	16,593	16,334
Net cash from or (used by) investing activities	(17,095)	(16,156)	(16,521)	(16,593)	(16,334)
FINANCING ACTIVITIES					
Cash received					
Equity Injections	16,086	14,506	13,721	13,993	14,034
Total cash received	16,086	14,506	13,721	13,993	14,034
Net cash from or (used by) financing activities	16,086	14,506	13,721	13,993	14,034
Net increase or (decrease) in cash held	937	(1,198)	(144)	(32)	75
Cash and cash equivalents at the beginning of the reporting period	4,185	5,122	3,924	3,780	3,748
Cash and cash equivalents at the end of the reporting period	5,122	3,924	3,780	3,748	3,823

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)

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSE					
Employee benefits	187,199	186,633	181,962	179,997	176,566
Supplier expenses	107,318	112,104	106,688	109,634	107,652
Depreciation and amortisation	28,761	27,928	23,315	21,450	21,911
Other expenses	18,045	-	-	-	-
Total expenses	341,323	326,665	311,965	311,081	306,129
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	11,845	11,292	7,930	7,939	2,539
Resources received free of charge	775	770	770	770	770
Total own-source revenue	12,620	12,062	8,700	8,709	3,309
Gains					
Other gains	94	-	-	-	-
Total gains	94	-	-	-	-
Total own-source income	12,714	12,062	8,700	8,709	3,309
Net cost of (contribution by) services	328,609	314,603	303,265	302,372	302,820
Revenue from Government	282,986	302,977	280,152	281,124	280,909
Surplus (Deficit) before income tax	(45,623)	(11,626)	(23,113)	(21,248)	(21,911)

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)

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax (competitive neutrality)	250	202	202	202	-
Surplus (Deficit) after income tax	(45,873)	(11,828)	(23,315)	(21,450)	(21,911)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	(2,879)	-	-	-	-
Total other comprehensive income	(2,879)	-	-	-	-
Total comprehensive income attributable to the Australian Government	(48,752)	(11,828)	(23,315)	(21,450)	(21,911)
Note: Reconciliation of operating result attributable to agency					
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(48,752)	(11,828)	(23,315)	(21,450)	(21,911)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	28,761	27,928	23,315	21,450	21,911
Total Comprehensive Income (loss) Attributable to the agency	(19,991)	16,100	-	-	-

Prepared on Australian Accounting Standards basis

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

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,710	1,491	1,326	1,323	1,327
Trade and other receivables	3,440	3,440	3,440	3,440	3,440
Appropriation receivables	8,273	5,408	3,563	2,560	640
Investments	-	-	-	-	-
Total financial assets	14,423	10,339	8,329	7,323	5,407
Non-financial assets					
Land and buildings	13,088	7,218	13,378	12,086	17,425
Infrastructure, plant and equipment	3,141	4,191	5,677	7,378	9,083
Intangibles	87,343	78,742	61,502	53,636	38,715
Other non-financial assets	7,866	6,615	6,615	6,615	6,615
Total non-financial assets	111,438	96,766	87,172	79,715	71,838
Total assets	125,861	107,105	95,501	87,038	77,245
LIABILITIES					
Payables					
Supplier payables	16,636	15,648	14,430	13,896	13,201
Other payables	6,786	2,065	2,725	2,724	2,703
Total payables	23,422	17,713	17,155	16,620	15,904
Provisions					
Employees provisions	68,032	57,157	55,705	55,234	54,034
Other provisions	5,985	2,485	2,485	2,485	2,485
Total provisions	74,017	59,642	58,190	57,719	56,519
Total liabilities	97,439	77,355	75,345	74,339	72,423
Net assets	28,422	29,750	20,156	12,699	4,822
Equity					
Contributed equity	204,047	218,553	232,274	246,267	260,301
Asset revaluation reserve	10,592	10,592	10,592	10,592	10,592
Retained surplus (accumulated deficit)	(186,217)	(199,395)	(222,710)	(244,160)	(266,071)
Total equity	28,422	29,750	20,156	12,699	4,822

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)

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	292,822	316,408	289,211	289,350	284,652
Sale of goods and services	12,002	12,349	8,651	8,661	2,721
Net GST received	8,451	9,435	9,457	9,587	10,210
Other	-	-	-	-	-
Total cash received	313,275	338,192	307,319	307,598	297,583
Cash used					
Employees	185,540	196,417	183,415	180,468	177,766
Suppliers	117,765	132,226	116,653	119,708	117,990
Other	10,090	12,118	7,416	7,425	1,823
Total cash used	313,395	340,761	307,484	307,601	297,579
Net cash from (used by) operating activities	(120)	(2,569)	(165)	(3)	4
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	1,350	-	-	-
Total cash received	-	1,350	-	-	-
Cash used					
Purchase of property, plant and equipment, and intangibles	15,390	14,506	13,721	13,993	14,034
Total cash used	15,390	14,506	13,721	13,993	14,034
Net cash from (used by) investing activities	(15,390)	(13,156)	(13,721)	(13,993)	(14,034)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	16,086	14,506	13,721	13,993	14,034
Total cash received	16,086	14,506	13,721	13,993	14,034
Net cash from (used by) financing activities	16,086	14,506	13,721	13,993	14,034
Net increase (decrease) in cash held	576	(1,219)	(165)	(3)	4
Cash and cash equivalents at the beginning of the reporting period	2,134	2,710	1,491	1,326	1,323
Cash and cash equivalents at the end of the reporting period	2,710	1,491	1,326	1,323	1,327

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)

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
EXPENSES					
Employee benefits	2,996	4,100	4,150	4,200	4,250
Supplier expenses	3,586	3,225	3,275	3,325	3,375
Depreciation and amortisation	75	75	75	75	75
Insurance claims	34,201	29,000	29,500	30,000	30,500
Total expenses	40,858	36,400	37,000	37,600	38,200
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	35,089	35,000	36,000	37,000	38,000
Resources received free of charge	52	55	55	55	55
Other revenue	4,264	4,600	4,700	4,800	4,900
Total own-source revenue	39,405	39,655	40,755	41,855	42,955
Total own-source income	39,405	39,655	40,755	41,855	42,955
Net contribution by services	1,453	(3,255)	(3,755)	(4,255)	(4,755)
Revenue from Government	320	120	120	120	120
Surplus (Deficit) after income tax	(1,133)	3,375	3,875	4,375	4,875
Total comprehensive income attributable to the Australian Government	(1,133)	3,375	3,875	4,375	4,875
Note: Reconciliation of comprehensive income attributable to the agency					
	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total Comprehensive Income Attributable to the Australian Government	(1,133)	3,375	3,875	4,375	4,875
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	75	75	75	75	75
Total Comprehensive Income Attributable to the agency	(1,058)	3,450	3,950	4,450	4,950

Prepared on Australian Accounting Standards basis

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

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,412	2,433	2,454	2,425	2,496
Trade and other receivables	14,686	14,686	14,686	14,686	14,686
Appropriation receivables	-	-	-	-	-
Investments	54,893	57,893	60,693	63,293	65,593
Total financial assets	71,991	75,012	77,833	80,404	82,775
Non-financial assets					
Intangibles	455	380	305	230	155
Other non-financial assets	1,066	1,066	1,066	1,066	1,066
Total non-financial assets	1,521	1,446	1,371	1,296	1,221
Total assets	73,512	76,458	79,204	81,700	83,996
LIABILITIES					
Payables					
Supplier payables	5,350	5,350	5,350	5,350	5,350
Other payables	21,811	21,811	21,811	21,811	21,811
Total payables	27,161	27,161	27,161	27,161	27,161
Provisions					
Other provisions	18,356	17,927	16,798	14,919	12,340
Total provisions	18,356	17,927	16,798	14,919	12,340
Total liabilities	45,517	45,088	43,959	42,080	39,501
Net assets	27,995	31,370	35,245	39,620	44,495
Equity					
Contributed equity	-	-	-	-	-
Asset revaluation reserve	-	-	-	-	-
Retained surplus	27,995	31,370	35,245	39,620	44,495
Total equity	27,995	31,370	35,245	39,620	44,495

Prepared on Australian Accounting Standards basis

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

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	320	120	120	120	120
Sales of goods and services	40,948	42,000	43,000	44,000	45,000
Net GST received	(73)	-	-	-	-
Other	8,933	2,801	2,801	2,801	2,801
Total cash received	50,128	44,921	45,921	46,921	47,921
Cash used					
Employees	2,996	3,800	3,900	4,000	4,100
Suppliers	3,143	2,000	2,100	2,200	2,300
Other	41,923	36,100	37,100	38,150	39,150
Total cash used	48,062	41,900	43,100	44,350	45,550
Net cash from (used by) operating activities	2,066	3,021	2,821	2,571	2,371
INVESTING ACTIVITIES					
Cash received					
Investments realised	11,935	-	-	-	-
Total cash received	11,935	-	-	-	-
Cash used					
Purchase of investments	13,640	3,000	2,800	2,600	2,300
Total cash used	13,640	3,000	2,800	2,600	2,300
Net cash from (used by) investing activities	(1,705)	(3,000)	(2,800)	(2,600)	(2,300)
Net increase (decrease) in cash held	361	21	21	(29)	71
Cash and cash equivalents at the beginning of the reporting period	2,051	2,412	2,433	2,454	2,425
Cash and cash equivalents at the end of the reporting period	2,412	2,433	2,454	2,425	2,496

Prepared on Australian Accounting Standards basis

Table 3.2.4: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2015-16)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2015	(158,222)	10,592	204,047	56,417
Comprehensive income				
Comprehensive income attributable to the Australian Government	(8,453)	-	-	(8,453)
Total comprehensive income attributable to the Australian Government	(8,453)	-	-	(8,453)
Transactions with owners				
Distribution to owners:				
Other	(1,350)	-	-	(1,350)
Contribution by owners:				
Appropriation (equity injection)	-	-	1,189	1,189
Departmental Capital Budget (DCBs)	-	-	13,317	13,317
Sub-total transactions with owners	(1,350)	-	14,506	13,156
Estimated closing balance as at 30 June 2016	(168,025)	10,592	218,553	61,120

Prepared on Australian Accounting Standards

Table 3.2.5: Capital Budget Statement - Departmental

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (Departmental Capital Budget)	13,469	13,317	13,308	13,913	14,034
Equity injections - Bill 2	2,617	1,189	413	80	-
Total capital appropriations	16,086	14,506	13,721	13,993	14,034
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	16,086	14,506	13,721	13,993	14,034
Total items	16,086	14,506	13,721	13,993	14,034
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	3,317	1,189	413	80	-
Funded by capital appropriations - Departmental Capital Budget ¹	11,306	13,317	13,308	13,913	14,034
Funded internally from Departmental resources ²	767	-	-	-	-
TOTAL	15,390	14,506	13,721	13,993	14,034
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	15,390	14,506	13,721	13,993	14,034
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
Total cash used to acquire assets	15,390	14,506	13,721	13,993	14,034

Prepared on Australian Accounting Standards basis

- Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets.
- Includes the following sources of funding:
 - annual and prior year appropriations
 - section 74 retained revenue receipts
 - proceeds from the sale of assets.

Table 3.2.6: Statement of Asset Movements (2015-16)

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles	L&B IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2015						
Gross book value	-	18,263	8,279	195,211	1,350	223,103
Accumulated depreciation/ amortisation and impairment	-	(5,175)	(5,138)	(107,413)	-	(117,726)
Opening net book balance	-	13,088	3,141	87,798	1,350	105,377
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase or internally developed:						
Appropriation equity ¹	-	-	-	1,189	-	1,189
Appropriation ordinary annual services ²	-	1,047	2,700	9,570	-	13,317
Total additions	-	1,047	2,700	10,759	-	14,506
Other movements						
Depreciation/amortisation expense	-	(6,917)	(1,650)	(19,436)	-	(28,003)
Total depreciation/amortisation	-	(6,917)	(1,650)	(19,436)	-	(28,003)
As at 30 June 2016						
Gross book value	-	19,310	10,979	205,970	-	236,259
Accumulated depreciation/ amortisation and impairment	-	(12,092)	(6,788)	(126,848)	-	(145,728)
Closing net book balance	-	7,218	4,191	79,122	-	90,531

Prepared on Australian Accounting Standards basis

1. "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2 & 4) 2015-16.
2. "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2015-16 for depreciation / amortisation expenses, DCBs or other operational expenses.
3. Net proceeds may be returned to the OPA.

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

	Actual 2014-15 \$'000	Revised Budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee Benefits	7,137	10,100	10,080	10,050	10,010
Grants	24,456	6,865	6,977	6,990	6,983
Personal benefits	7,694,131	6,340,667	6,174,924	5,934,311	5,751,749
Payments to corporate entities	44,008	44,059	41,630	41,082	41,147
Other	5,568,682	5,194,323	5,129,359	5,073,841	5,019,505
Total expenses administered on behalf of government	13,338,414	11,596,014	11,362,970	11,066,274	10,829,394
LESS:					
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other sources of non-taxation revenue	6,655	18,795	18,795	18,795	18,795
Total non-taxation	6,655	18,795	18,795	18,795	18,795
Total revenues administered on behalf of government	6,655	18,795	18,795	18,795	18,795
Net Cost of (contribution by) services	13,331,759	11,577,219	11,344,175	11,047,479	10,810,599
Surplus (Deficit)	(13,331,759)	(11,577,219)	(11,344,175)	(11,047,479)	(10,810,599)

Prepared on Australian Accounting Standards basis

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

	Actual 2014-15 \$'000	Revised Budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	46,033	46,033	46,033	46,033	46,033
Other receivables	86,287	86,287	86,287	86,287	86,287
Investments	1,275,195	1,272,481	1,269,949	1,268,327	1,275,864
Total financial assets	1,407,515	1,404,801	1,402,269	1,400,647	1,408,184
Non-financial assets					
Other	4,980	4,980	4,980	4,980	4,980
Total non-financial assets	4,980	4,980	4,980	4,980	4,980
Total assets administered on behalf of government	1,412,495	1,409,781	1,407,249	1,405,627	1,413,164
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Provisions and payables					
Other provisions and payables	2,528,256	2,597,581	2,693,320	2,796,546	2,909,006
Personal benefits	5,462,433	5,623,348	5,826,458	6,043,166	6,264,611
Grants payables	990	990	990	990	1,006
Employee provisions	1,880	1,880	1,880	1,880	1,880
Other payables and accrued expenses	33,251	33,251	33,251	33,251	33,251
Total provisions and payables	8,026,810	8,257,050	8,555,899	8,875,833	9,209,754
Total liabilities administered on behalf of the government	8,026,810	8,257,050	8,555,899	8,875,833	9,209,754

Prepared on Australian Accounting Standards basis

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

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
OPERATING ACTIVITIES					
Cash received					
GST input credit received	47,134	43,512	43,512	43,512	43,512
Other	1,866	18,795	18,795	18,795	18,795
Total cash received	49,000	62,307	62,307	62,307	62,307
Cash used					
Personal benefits	6,440,518	6,179,752	5,971,814	5,717,603	5,530,304
Employees	5,756	10,100	10,080	10,050	10,010
Other	5,175,830	5,125,997	5,034,638	4,970,615	4,907,045
Grant payments	24,455	5,866	5,959	6,990	6,967
GST payments to suppliers	49,809	43,512	43,512	43,512	43,512
Payments to Corporate Entities	44,008	44,059	41,630	41,082	41,147
Total cash used	11,740,376	11,409,286	11,107,633	10,789,852	10,538,985
Net cash from (used by) operating activities	(11,691,376)	(11,346,979)	(11,045,326)	(10,727,545)	(10,476,678)
INVESTING ACTIVITIES					
Cash used					
Payments to Corporate Entities	12,762	7,472	7,168	7,493	7,537
Purchase of property, plant and equipment	4,980	-	-	-	-
Total cash used	17,742	7,472	7,168	7,493	7,537
Net cash from (used) by investing activities	(17,742)	(7,472)	(7,168)	(7,493)	(7,537)
Net increase/decrease in cash held	(11,709,118)	(11,354,451)	(11,052,494)	(10,735,038)	(10,484,215)
Cash and cash equivalents at beginning of reporting period	52,817	46,033	46,033	46,033	46,033
Cash from Official Public Account	11,720,535	11,363,922	11,061,965	10,744,509	10,493,767
Cash to Official Public Account	(18,201)	(9,471)	(9,471)	(9,471)	(9,552)
Cash and cash equivalents at end of reporting period	46,033	46,033	46,033	46,033	46,033

Prepared on Australian Accounting Standards basis

Table 3.2.10: Capital Budget Statement - Administered

	Actual 2014-15 \$'000	Revised budget 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities - Bill 2	6,061	-	-	-	-
Total capital appropriations	6,061	-	-	-	-
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	6,061	-	-	-	-
Total items	6,061	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	4,980	-	-	-	-
TOTAL	4,980	-	-	-	-

Prepared on Australian Accounting Standards basis

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 produce outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services, and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	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 outputs and, where applicable, administered items. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	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. Australian Government entities will move to this method incrementally by 30 June 2006 for valuing most infrastructure, plant and equipment.
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.
Output groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between 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 to cover the production of goods and services.

Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (<i>Financial Management and Accountability Act 1997</i> , 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)	<p>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.</p> <p>Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.</p>