

# AUSTRALIAN COMMISSION FOR LAW ENFORCEMENT INTEGRITY

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Integrity Commissioner has a central role in detecting, investigating and preventing corrupt conduct in prescribed Australian Government agencies with law enforcement functions. Those agencies are the Australian Crime Commission, the Australian Customs and Border Protection Service, the Australian Federal Police and the former National Crime Authority.

The function of the Australian Commission for Law Enforcement Integrity (ACLEI) is to assist the Integrity Commissioner, under the framework of the *Law Enforcement Integrity Commissioner Act 2006*. Through the performance of its functions, ACLEI contributes to building and maintaining a law enforcement culture that resists corruption.

ACLEI seeks to work innovatively and cooperatively with its partner agencies to detect, disrupt and deter possible corrupt conduct. In particular, ACLEI's strategic focus is to gather and share information about, and investigate, serious and systemic corruption issues which:

- involve a suspected link between law enforcement and organised crime
- bring into doubt the integrity of senior law enforcement managers
- relate to law enforcement activities that have a higher inherent corruption risk
- warrant the use of the Integrity Commissioner's information-gathering powers, including hearings, or
- would otherwise benefit from independent investigation.

From 2012-13, \$0.750m per year has been transferred to ACLEI from the Australian Customs and Border Protection Service. This additional investment will improve information access for investigators, strengthen management structures and enable ACLEI to contribute strategically to law enforcement corruption awareness and prevention programs and related policy development.

## 1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources.

**Table 1.1: Agency resource statement—Budget estimates for 2012–13 as at Budget May 2012**

|   | Estimate of<br>prior year<br>amounts<br>available in<br>2012–13<br>\$'000 | + | Proposed<br>at Budget<br>2012–13<br>\$'000 | = | Total<br>estimate<br>2012–13<br>\$'000 | Actual<br>available<br>appropriation<br>2011–12<br>\$'000 |
|---|---|---|--|---|--|---|
| <b>ORDINARY ANNUAL SERVICES<sup>1</sup></b>           |   |   |  |   |  |   |
| <b>Departmental appropriation</b>                     |   |   |  |   |  |   |
| Prior year departmental<br>appropriation <sup>2</sup> | 2,697   |   | –  |   | 2,697                                  | 3,185   |
| Departmental appropriation <sup>3</sup>               | –   |   | 5,784                                      |   | 5,784                                  | 6,318   |
| <b>Total ordinary annual services</b>                 | <b>2,697</b>  |   | <b>5,784</b>                               |   | <b>8,481</b>                           | <b>9,503</b>  |
| <b>OTHER SERVICES</b>                                 |   |   |  |   |  |   |
| <b>Departmental non-operating</b>                     |   |   |  |   |  |   |
| Equity injections                                     | 80  |   | –  |   | 80                                     | 80  |
| <b>Total other services</b>                           | <b>80</b>   |   | <b>–</b>                                   |   | <b>80</b>                              | <b>80</b>   |
| <b>Total available annual<br/>appropriations</b>      | <b>2,777</b>  |   | <b>5,784</b>                               |   | <b>8,561</b>                           | <b>9,583</b>  |
| <b>Total net resourcing for agency</b>                | <b>2,777</b>  |   | <b>5,784</b>                               |   | <b>8,561</b>                           | <b>9,583</b>  |

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2012–13.

2. Estimated adjusted balance carried forward from previous year.

3. Includes an amount of \$0.070m in 2012–13 for the departmental capital budget (see Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

### 1.3 BUDGET MEASURES

Budget measures relating to ACLEI are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Agency 2012–13 Budget measures**

|   | Program | 2011–12<br>\$'000 | 2012–13<br>\$'000 | 2013–14<br>\$'000 | 2014–15<br>\$'000 | 2015–16<br>\$'000 |
|---|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>   |         |                   |                   |                   |                   |                   |
| Australian Commission for Law Enforcement Integrity—resource transfer | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses   |         | –                 | 750               | 750               | 750               | 750               |
| <b>Total expense measures</b>   |         | <b>–</b>          | <b>750</b>        | <b>750</b>        | <b>750</b>        | <b>750</b>        |

Prepared on a Government Finance Statistics (fiscal) basis.

#### **Measures announced between 2011–12 Budget and 2012–13 Budget but not yet reported in a subsequent portfolio statement**

|  | Program | 2011–12<br>\$'000 | 2012–13<br>\$'000 | 2013–14<br>\$'000 | 2014–15<br>\$'000 | 2015–16<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>  |         |                   |                   |                   |                   |                   |
| Reducing the cost of government administration—one-off efficiency dividend | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses  |         | –                 | (128)             | (130)             | (131)             | (132)             |
| <b>Total expense measures</b>  |         | <b>–</b>          | <b>(128)</b>      | <b>(130)</b>      | <b>(131)</b>      | <b>(132)</b>      |
| <b>Capital measures</b>  |         |                   |                   |                   |                   |                   |
| Departmental capital budgets—savings                                       |         |                   |                   |                   |                   |                   |
| Departmental capital   | 1.1     | –                 | (17)              | (16)              | (57)              | (83)              |
| <b>Total capital measures</b>  |         | <b>–</b>          | <b>(17)</b>       | <b>(16)</b>       | <b>(57)</b>       | <b>(83)</b>       |

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 that contribute to government outcomes over the budget and forward years.

ACLEI's outcome is described below together with its related program, specifying the performance indicators and targets used to assess and monitor the performance of ACLEI in achieving government outcomes.

**Outcome 1: Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption**

#### Outcome 1 strategy

ACLEI will contribute to Outcome 1 by ensuring that corruption issues brought to the attention of the Integrity Commissioner are assessed in a timely manner and, where appropriate, investigated. ACLEI will also assist law enforcement agencies to maintain the integrity of their staff by contributing to corruption detection and prevention initiatives.

#### 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**

|  | 2011–12<br>Estimated<br>actual<br>expenses<br>\$'000 | 2012–13<br>Estimated<br>expenses<br>\$'000 |
|--|--|--|
| <b>Outcome 1: Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption</b> |  |  |
| <b>Program 1.1: Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members</b>            |  |  |
| Departmental expenses  |  |  |
| Departmental appropriation <sup>1</sup>  | 5,681  | 5,714                                      |
| Expenses not requiring appropriation in the budget year <sup>2</sup>   | 429  | 329  |
| <b>Total expenses for Outcome 1</b>  | <b>6,110</b>   | <b>6,043</b>                               |
|  | <b>2011–12</b>                                       | <b>2012–13</b>                             |
| <b>Average staffing level (number)</b>   | 24   | 29   |

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

1. Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s 31)'.

2. Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses.

## Contributions to Outcome 1

**Program 1.1: Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members**

### Program 1.1 objective

ACLEI's program objective is to ensure that instances of corruption are identified and addressed, and that law enforcement agencies have appropriate measures in place to control corruption risks. In this way, ACLEI can provide independent assurance to the Australian Government about the integrity of prescribed law enforcement agencies.

### Program 1.1 expenses

|  | 2011–12<br>Revised<br>budget<br>\$'000 | 2012–13<br>Budget<br>\$'000 | 2013–14<br>Forward<br>year 1<br>\$'000 | 2014–15<br>Forward<br>year 2<br>\$'000 | 2015–16<br>Forward<br>year 3<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| Annual departmental expenses   | 5,681                                  | 5,714                       | 5,785                                  | 5,831                                  | 5,892                                  |
| Expenses not requiring appropriation in the budget year <sup>1</sup> | 429                                    | 329                         | 329                                    | 329                                    | 329                                    |
| <b>Total program expenses</b>  | <b>6,110</b>                           | <b>6,043</b>                | <b>6,114</b>                           | <b>6,160</b>                           | <b>6,221</b>                           |

1. Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses.

### Program 1.1 deliverables

- Corruption issues are promptly brought to the attention of the Integrity Commissioner for independent assessment and decision on how each issue should be dealt with (either by ACLEI, the agency to which the issue relates, or another agency).
- Where appropriate, ACLEI independently investigates corruption issues, giving priority to conduct that constitutes serious corruption or systemic corruption.
- Where appropriate, the Integrity Commissioner uses statutory intrusive and coercive information-gathering powers to assist in investigations.
- ACLEI analyses and reports on patterns and trends in law enforcement corruption.
- ACLEI recommends changes to laws and to agency practices and procedures to improve integrity in law enforcement, and to detect and prevent corruption more effectively.
- ACLEI enhances corruption prevention initiatives, such as the assessment of corruption risk and raising awareness about corruption deterrence, thereby helping to build corruption-resistant work cultures.
- Staff members of law enforcement agencies are made aware that information about corruption can be referred with confidence to the Integrity Commissioner.

**Program 1.1 key performance indicators**

- The corruption notification and referral system is effective.
  - Law enforcement agencies notify ACLEI of corruption issues in a timely way.
  - Other agencies provide information about corruption issues to ACLEI.
  - ACLEI is seen as viable for reporting information about corruption.
- ACLEI assesses all notifications and referrals of corruption issues in a timely way.
  - Upon receipt, ACLEI assesses information about corruption to determine how each issue should be dealt with.
  - Credible information about corruption is prioritised.
  - Risks relating to the operating context of law enforcement agencies are taken into account and, in appropriate circumstances, mitigation strategies are agreed with the agency concerned.
  - Decisions are communicated to affected agencies in a timely way.
- ACLEI's investigations are conducted professionally and efficiently, and add value to the integrity system.
  - Investigations adhere to the Integrity Commissioner's Investigation Guidelines.
  - ACLEI investigations are properly managed.
  - Investigation reports provided to the minister are of high quality.
  - Advice is provided to the minister in a timely way.
- ACLEI monitors corruption investigations conducted by law enforcement agencies.
  - All agency corruption investigation reports provided to ACLEI for review are assessed for intelligence value and completeness.
  - ACLEI liaises regularly with the agencies' professional standards units.
- ACLEI contributes to policy development and law reform in accountability and corruption prevention relating to law enforcement.
  - Each investigation addresses corruption risk and, where warranted, makes recommendations for improvement in corruption prevention or detection measures.
  - Submissions that relate to corruption prevention or enhancing integrity may be made to government or in other relevant forums.
- Staff members of law enforcement agencies are made aware of ACLEI's role.
  - Marketing and other awareness-raising activities are in place, including joint initiatives with other agencies.
  - Targeted presentations about integrity are made to diverse audiences.
- ACLEI handles personal information appropriately.
  - Regular privacy audits are undertaken to ensure compliance with legal obligations and better practice policy for information-handling.

## **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 2012–13 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.

### **3.1 EXPLANATORY TABLES**

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

ACLEI has no administered funds.

#### **3.1.2 Special accounts**

ACLEI has no special accounts.

#### **3.1.3 Australian Government Indigenous expenditure**

ACLEI has no Indigenous-specific expenses.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

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

There is no material difference between the agency resourcing and financial statements.

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

ACLEI has budgeted for an operating deficit of \$0.329m in 2012–13. The deficit is equal to the estimated depreciation and amortisation expense in 2012–13. Depreciation and amortisation expenses are not funded.

Total expenses for 2012–13 are estimated at \$6.043m, comprising \$3.726m in employee expenses, \$1.988m in payments to suppliers and \$0.329m in depreciation and amortisation expenses.

### 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<br>actual<br>2011–12<br>\$'000 | Budget<br>estimate<br>2012–13<br>\$'000 | Forward<br>estimate<br>2013–14<br>\$'000 | Forward<br>estimate<br>2014–15<br>\$'000 | Forward<br>estimate<br>2015–16<br>\$'000 |
|--|--|---|--|--|--|
| <b>EXPENSES</b>  |  |   |  |  |  |
| Employee benefits  | 3,347                                    | 3,726                                   | 3,780                                    | 3,811                                    | 3,873                                    |
| Supplier expenses  | 2,334                                    | 1,988                                   | 2,005                                    | 2,020                                    | 2,019                                    |
| Depreciation and amortisation  | 429                                      | 329                                     | 329                                      | 329                                      | 329                                      |
| <b>Total expenses</b>  | <b>6,110</b>                             | <b>6,043</b>                            | <b>6,114</b>                             | <b>6,160</b>                             | <b>6,221</b>                             |
| <b>Net cost of (contribution by)<br/>services</b>  | <b>6,110</b>                             | <b>6,043</b>                            | <b>6,114</b>                             | <b>6,160</b>                             | <b>6,221</b>                             |
| Revenue from government  | 5,150                                    | 5,714                                   | 5,785                                    | 5,831                                    | 5,892                                    |
| <b>Surplus (deficit) attributable to<br/>the Australian Government</b>                     | <b>(960)</b>                             | <b>(329)</b>                            | <b>(329)</b>                             | <b>(329)</b>                             | <b>(329)</b>                             |
| <b>OTHER COMPREHENSIVE INCOME</b>  |  |   |  |  |  |
| Changes in asset revaluation surplus   | –  | –                                       | –  | –  | –  |
| <b>Total other comprehensive income</b>  | <b>–</b>                                 | <b>–</b>                                | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Total comprehensive income (loss)</b>   | <b>(960)</b>                             | <b>(329)</b>                            | <b>(329)</b>                             | <b>(329)</b>                             | <b>(329)</b>                             |
| <b>Total comprehensive income (loss)<br/>attributable to the Australian<br/>Government</b> | <b>(960)</b>                             | <b>(329)</b>                            | <b>(329)</b>                             | <b>(329)</b>                             | <b>(329)</b>                             |

**Note: Impact of net cash appropriation arrangements**

|   | 2011–12<br>\$'000 | 2012–13<br>\$'000 | 2013–14<br>\$'000 | 2014–15<br>\$'000 | 2015–16<br>\$'000 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total comprehensive income (loss)<br>less depreciation/amortisation<br>expenses previously funded through<br>revenue appropriations | (531)             | –                 | –                 | –                 | –                 |
| Plus depreciation/amortisation expenses<br>previously funded through revenue<br>appropriations <sup>1</sup>                         | (429)             | (329)             | (329)             | (329)             | (329)             |
| <b>Total comprehensive income (loss)<br/>as per the statement of<br/>comprehensive income</b>                                       | <b>(960)</b>      | <b>(329)</b>      | <b>(329)</b>      | <b>(329)</b>      | <b>(329)</b>      |

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 and amortisation expenses of *Financial Management and Accountability Act 1997* agencies were replaced with a separate capital budget provided through Bill 1 equity appropriations. See Table 3.2.5 for more information on the departmental capital budget.



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

|   | Estimated<br>actual<br>2011–12<br>\$'000 | Budget<br>estimate<br>2012–13<br>\$'000 | Forward<br>estimate<br>2013–14<br>\$'000 | Forward<br>estimate<br>2014–15<br>\$'000 | Forward<br>estimate<br>2015–16<br>\$'000 |
|---|--|---|--|--|--|
| <b>ASSETS</b>                             |  |   |  |  |  |
| <b>Financial assets</b>                   |  |   |  |  |  |
| Cash and cash equivalents                 | 125                                      | 125                                     | 270                                      | 270                                      | 270                                      |
| Trade and other receivables               | 3,360                                    | 3,360                                   | 3,215                                    | 3,215                                    | 3,215                                    |
| <b>Total financial assets</b>             | <b>3,485</b>                             | <b>3,485</b>                            | <b>3,485</b>                             | <b>3,485</b>                             | <b>3,485</b>                             |
| <b>Non-financial assets</b>               |  |   |  |  |  |
| Land and buildings                        | 859                                      | 747                                     | 635                                      | 523                                      | 411                                      |
| Property, plant and equipment             | 726                                      | 587                                     | 442                                      | 436                                      | 560                                      |
| Intangibles                               | 17                                       | 9                                       | 1  | 18                                       | 10                                       |
| Other non-financial assets                | 57                                       | 57                                      | 57                                       | 57                                       | 57                                       |
| <b>Total non-financial assets</b>         | <b>1,659</b>                             | <b>1,400</b>                            | <b>1,135</b>                             | <b>1,034</b>                             | <b>1,038</b>                             |
| <b>Total assets</b>                       | <b>5,144</b>                             | <b>4,885</b>                            | <b>4,620</b>                             | <b>4,519</b>                             | <b>4,523</b>                             |
| <b>LIABILITIES</b>                        |  |   |  |  |  |
| <b>Payables</b>                           |  |   |  |  |  |
| Suppliers                                 | 227                                      | 227                                     | 227                                      | 227                                      | 227                                      |
| Other payables                            | 136                                      | 136                                     | 136                                      | 136                                      | 136                                      |
| <b>Total payables</b>                     | <b>363</b>                               | <b>363</b>                              | <b>363</b>                               | <b>363</b>                               | <b>363</b>                               |
| <b>Provisions</b>                         |  |   |  |  |  |
| Employee provisions                       | 798                                      | 798                                     | 798                                      | 798                                      | 798                                      |
| Other provisions                          | 166                                      | 166                                     | 166                                      | 166                                      | 166                                      |
| <b>Total provisions</b>                   | <b>964</b>                               | <b>964</b>                              | <b>964</b>                               | <b>964</b>                               | <b>964</b>                               |
| <b>Total liabilities</b>                  | <b>1,327</b>                             | <b>1,327</b>                            | <b>1,327</b>                             | <b>1,327</b>                             | <b>1,327</b>                             |
| <b>Net assets</b>                         | <b>3,817</b>                             | <b>3,558</b>                            | <b>3,293</b>                             | <b>3,192</b>                             | <b>3,196</b>                             |
| <b>EQUITY</b>                             |  |   |  |  |  |
| <b>Parent entity interest</b>             |  |   |  |  |  |
| Contributed equity                        | 3,189                                    | 3,259                                   | 3,323                                    | 3,551                                    | 3,884                                    |
| Retained surplus<br>(accumulated deficit) | 628                                      | 299                                     | (30)                                     | (359)                                    | (688)                                    |
| <b>Total parent entity interest</b>       | <b>3,817</b>                             | <b>3,558</b>                            | <b>3,293</b>                             | <b>3,192</b>                             | <b>3,196</b>                             |
| <b>Total equity</b>                       | <b>3,817</b>                             | <b>3,558</b>                            | <b>3,293</b>                             | <b>3,192</b>                             | <b>3,196</b>                             |

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Departmental statement of changes in equity—summary of movement (budget year 2012–13)**

|  | Retained<br>earnings<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---------------------------|
| <b>Opening balance as at 1 July 2012</b>                             |                                |   |                           |
| Balance carried forward from previous period                         | 628                            | 3,189                                       | 3,817                     |
| Adjustment for changes in accounting policies                        | –                              | –   | –                         |
| <b>Adjusted opening balance</b>                                      | <b>628</b>                     | <b>3,189</b>                                | <b>3,817</b>              |
| <b>Comprehensive income</b>  |                                |   |                           |
| Surplus (deficit) for the period                                     | (329)                          | –   | (329)                     |
| <b>Total comprehensive income</b>                                    | <b>(329)</b>                   | <b>–</b>                                    | <b>(329)</b>              |
| Of which:  |                                |   |                           |
| Attributable to the Australian Government                            | (329)                          | –   | (329)                     |
| <b>Transactions with owners</b>                                      |                                |   |                           |
| Contributions by owners  |                                |   |                           |
| Departmental capital budget  | –                              | 70  | 70                        |
| <b>Sub-total transactions with owners</b>                            | <b>–</b>                       | <b>70</b>                                   | <b>70</b>                 |
| <b>Estimated closing balance<br/>as at 30 June 2013</b>              | <b>299</b>                     | <b>3,259</b>                                | <b>3,558</b>              |
| <b>Closing balance attributable to the<br/>Australian Government</b> | <b>299</b>                     | <b>3,259</b>                                | <b>3,558</b>              |

Prepared on Australian Accounting Standards basis.

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

|   | Estimated<br>actual<br>2011–12<br>\$'000 | Budget<br>estimate<br>2012–13<br>\$'000 | Forward<br>estimate<br>2013–14<br>\$'000 | Forward<br>estimate<br>2014–15<br>\$'000 | Forward<br>estimate<br>2015–16<br>\$'000 |
|---|--|---|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |   |  |  |  |
| <b>Cash received</b>  |  |   |  |  |  |
| Appropriations  | 5,967                                    | 5,712                                   | 5,925                                    | 5,823                                    | 5,892                                    |
| <b>Total cash received</b>  | <b>5,967</b>                             | <b>5,712</b>                            | <b>5,925</b>                             | <b>5,823</b>                             | <b>5,892</b>                             |
| <b>Cash used</b>  |  |   |  |  |  |
| Employees   | 3,321                                    | 3,726                                   | 3,780                                    | 3,811                                    | 3,873                                    |
| Suppliers   | 2,316                                    | 1,986                                   | 2,000                                    | 2,012                                    | 2,019                                    |
| <b>Total cash used</b>  | <b>5,637</b>                             | <b>5,712</b>                            | <b>5,780</b>                             | <b>5,823</b>                             | <b>5,892</b>                             |
| <b>Net cash from (used by)<br/>operating activities</b>                 | <b>330</b>                               | <b>–</b>                                | <b>145</b>                               | <b>–</b>                                 | <b>–</b>                                 |
| <b>INVESTING ACTIVITIES</b>   |  |   |  |  |  |
| <b>Cash used</b>  |  |   |  |  |  |
| Purchase of property, plant<br>and equipment                            | 1,498                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total cash used</b>  | <b>1,498</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>Net cash from (used by)<br/>investing activities</b>                 | <b>(1,498)</b>                           | <b>(70)</b>                             | <b>(64)</b>                              | <b>(228)</b>                             | <b>(333)</b>                             |
| <b>FINANCING ACTIVITIES</b>   |  |   |  |  |  |
| <b>Cash received</b>  |  |   |  |  |  |
| Contributed equity  | 1,168                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total cash received</b>  | <b>1,168</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>Net cash from (used by)<br/>financing activities</b>                 | <b>1,168</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>Net increase (decrease)<br/>in cash held</b>                         | <b>–</b>                                 | <b>–</b>                                | <b>145</b>                               | <b>–</b>                                 | <b>–</b>                                 |
| Cash and cash equivalents at the<br>beginning of the reporting period   | 125                                      | 125                                     | 125                                      | 270                                      | 270                                      |
| <b>Cash and cash equivalents at the<br/>end of the reporting period</b> | <b>125</b>                               | <b>125</b>                              | <b>270</b>                               | <b>270</b>                               | <b>270</b>                               |

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

|  | Estimated<br>actual<br>2011–12<br>\$'000 | Budget<br>estimate<br>2012–13<br>\$'000 | Forward<br>estimate<br>2013–14<br>\$'000 | Forward<br>estimate<br>2014–15<br>\$'000 | Forward<br>estimate<br>2015–16<br>\$'000 |
|--|--|---|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |   |  |  |  |
| Capital budgets—Bill 1 (DCB)   | 1,168                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total new capital appropriations</b>                                      | <b>1,168</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>Provided for:</b>   |  |   |  |  |  |
| Purchase of non-financial assets   | 1,168                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total items</b>   | <b>1,168</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |   |  |  |  |
| Funded by capital appropriation—DCB <sup>1</sup>                             | 1,498                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total</b>   | <b>1,498</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |   |  |  |  |
| Total purchases  | 1,498                                    | 70                                      | 64                                       | 228                                      | 333                                      |
| <b>Total cash used to acquire assets</b>                                     | <b>1,498</b>                             | <b>70</b>                               | <b>64</b>                                | <b>228</b>                               | <b>333</b>                               |

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

1. Does not include annual finance lease costs. Includes purchases from current and previous years' departmental capital budgets.

**Table 3.2.6: Statement of asset movements (2012–13)**

|  | Buildings<br>\$'000 | Other<br>property,<br>plant &<br>equipment<br>\$'000 | Computer<br>software &<br>intangibles<br>\$'000 | Total<br>\$'000 |
|--|---------------------|--|---|-----------------|
| <b>As at 1 July 2012</b>   |                     |  |   |                 |
| Gross book value   | 1,428               | 1,661  | 104   | 3,193           |
| Accumulated depreciation/<br>amortisation and impairment           | (569)               | (935)  | (87)  | (1,591)         |
| <b>Opening net book balance</b>                                    | <b>859</b>          | <b>726</b>   | <b>17</b>                                       | <b>1,602</b>    |
| <b>CAPITAL ASSET ADDITIONS</b>                                     |                     |  |   |                 |
| <b>Estimated expenditure on<br/>new or replacement assets</b>      |                     |  |   |                 |
| By purchase—appropriation<br>ordinary annual services <sup>1</sup> | –                   | 70   | –   | 70              |
| <b>Total additions</b>   | <b>–</b>            | <b>70</b>  | <b>–</b>  | <b>70</b>       |
| <b>Other movements</b>   |                     |  |   |                 |
| Depreciation/amortisation expense                                  | (112)               | (209)  | (8)   | (329)           |
| <b>Total other movements</b>                                       | <b>(112)</b>        | <b>(209)</b>   | <b>(8)</b>                                      | <b>(329)</b>    |
| <b>As at 30 June 2013</b>  |                     |  |   |                 |
| Gross book value   | 1,428               | 1,731  | 104   | 3,263           |
| Accumulated depreciation/<br>amortisation and impairment           | (681)               | (1,144)  | (95)  | (1,920)         |
| <b>Closing net book balance</b>                                    | <b>747</b>          | <b>587</b>   | <b>9</b>  | <b>1,343</b>    |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2012–13 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.

### **3.2.4 Notes to the financial statements**

#### **Basis of accounting**

The budgeted financial statements have been prepared on an accrual accounting basis, having regards to Statements of Accounting Concepts, and in accordance with the Finance Minister's Orders, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

#### **Revenue from government**

Amounts appropriated for departmental outcomes are recognised as revenue. Appropriations receivable are recognised at their nominal amounts.

#### **Employee expenses**

Employee expenses consist of salaries, leave entitlements, superannuation, workers' compensation and non-salary benefits.

#### **Supplier expenses**

Supplier expenses consist of operational expenditure, consultant costs, travel expenses and administrative costs.

#### **Assets**

Assets include cash, receivables, leasehold improvements, plant and equipment, intangibles and other assets (prepaid expenses). All assets are held at fair value.

#### **Liabilities**

Liabilities include employee entitlements, amounts payable to suppliers and property make-good provisions.