

Portfolio Additional Estimates Statements 2014-15

Defence Portfolio
(Department of Veterans' Affairs)

Explanations of Additional Estimates 2014-15

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Assistant Secretary

Anzac Centenary and Communication Branch

GPO Box 9998

Canberra ACT 2601

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Senator the Hon. Michael Ronaldson

Minister for Veterans' Affairs
Minister Assisting the Prime Minister for the Centenary of ANZAC
Special Minister of State

PARLIAMENT HOUSE
CANBERRA 2600

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Madam Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2014-15 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

Senator the Hon. Michael Ronaldson

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nfp	not for publication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 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) 2014-15*. 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) 2014-15* 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> .
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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.
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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.
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Glossary	Explains key terms relevant to the Portfolio.
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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 2014-15 Portfolio Budget Statements. A full outline of the Department of Veterans' Affairs (DVA) Portfolio Overview can be found in the 2014-15 Portfolio Budget Statement.

The portfolio is seeking, for the Department of Veterans' Affairs, net additional funding of \$26.7 million, including \$25.0 million for administered expenses. The new appropriation funding of \$12,362.7 million being sought will provide the Department with \$12,063.3 million in administered expenses and \$299.4 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 2014-15 budget year, by entity.

Table 1: Portfolio Resources 2014-15

	Appropriation			Receipts	Total
	Bill No. 3 \$m	Bill No. 4 \$m	Special \$m	\$m	\$m
Department of Veterans' Affairs					
Administered appropriations	6.7	-	18.3	-	25.0
Departmental appropriations	-	-	-	1.8	1.8
Total:	6.7	-	18.3	1.8	26.7
Australian War Memorial					
Departmental appropriations	-	-	-	-	-
Total:	-	-	-	-	-
Portfolio Total	6.7	-	18.3	1.8	26.7
Resources available within portfolio:					26.7

ENTITY ADDITIONAL ESTIMATES STATEMENTS

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DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION

The Department of Veterans' Affairs (DVA) supports those who serve or have served in defence of our nation and commemorates their service and sacrifice.

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

There has been no change in the Department's role, planned outcomes or programmes structure since the 2014-15 Portfolio Budget Statements. A full outline of DVA's strategic direction can be found in the 2014-15 Portfolio Budget Statements.

Administered expenses

The additional administered funding of \$25.0 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 19.

Departmental expenses

No additional departmental funding 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 19.

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 2014-15 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 2014-15 as at Additional Estimates February 2015**

	<i>Total available appropriation</i>	Estimate as at Budget	+	Proposed Additional Estimates	=	Total estimate at Additional Estimates
	<i>2013-14 \$'000</i>	2014-15 \$'000		2014-15 \$'000		2014-15 \$'000
Ordinary annual services¹						
Departmental						
Prior year departmental appropriation ²	-	11,689		-		11,689
Departmental appropriation ³	303,378	296,775		-		296,775
s74 Retained Revenue Receipts ⁴	10,276	10,881		-		9,823
Total	313,654	319,345		-		318,287
Administered expenses						
Outcome 1	39,419	40,895		674		41,569
Outcome 2	7,415	7,279		64		7,343
Outcome 3	52,213	54,336		5,916		60,252
Payments to corporate entities ⁵	40,900	47,808		-		47,808
Total	139,947	150,318		6,654		156,972
Total ordinary annual services	A 453,601	469,663		6,654		475,259
Other services⁶						
Administered non-operating						
Administered Assets and Liabilities	-	6,061		-		6,061
Payments to corporate entities - non-operating	25,258	12,444		-		12,444
Total	25,258	18,505		-		18,505
Departmental non-operating						
Equity injections	13,606	2,617		-		2,617
Total	13,606	2,617		-		2,617
Total other services	B 38,864	21,122		-		21,122
Total available annual appropriations	492,465	490,785		6,654		496,381

Continued on next page

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2014-15 as at Additional Estimates February 2015 (continued)

	<i>Total available appropriation</i>	Estimate as at Budget	+ Proposed Additional Estimates	= Total estimate at Additional Estimates
	<i>2013-14 \$'000</i>	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000
Special appropriations				
Special appropriations limited by criteria/entitlement				
Outcome 1				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	40	70	-	70
<i>Veterans' Entitlements Act 1986 (VEA)</i>	6,209,139	6,111,121	(75,568)	6,035,553
<i>Defence Service Homes Act 1918</i>	1,709	1,459	(8)	1,451
<i>Safety, Rehabilitation and Compensation Act 1988</i>	133,550	143,109	(4,137)	138,972
<i>Military Rehabilitation and Compensation Act 2004</i>	213,665	213,999	45,357	259,356
Total Outcome 1	6,558,103	6,469,758	(34,356)	6,435,402
Outcome 2				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	5,132,049	5,325,138	49,361	5,374,499
<i>Safety, Rehabilitation and Compensation Act 1988</i>	38,508	39,799	-	39,799
<i>Military Rehabilitation and Compensation Act 2004</i>	31,985	34,451	3,253	37,704
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	348	421	-	421
Total Outcome 2	5,202,890	5,399,809	52,614	5,452,423
Total special appropriations	11,760,993	11,869,567	18,258	11,887,825
Total appropriations excluding				
Special Accounts	12,253,458	12,360,352	24,912	12,384,206

Continued on next page

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2014-15 as at Additional Estimates February 2015 (continued)

	<i>Total available appropriation</i>	Estimate as at Budget	+ Proposed Additional Estimate	= Total estimate at Additional Estimates
	2013-14	2014-15	2014-15	2014-15
	\$'000	\$'000	\$'000	\$'000
Special Accounts				
Opening balance ⁷	1,875	1,094	957	2,051
Appropriation Receipts ⁸	120	320	-	320
Non-Appropriation receipts to Special Accounts	43,780	46,370	2,841	49,211
Total Special Account	D 45,775	47,784	3,798	51,582
Total resourcing				
A+B+C+D	12,299,233	12,408,136	28,710	12,435,788
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	66,278	60,572	-	60,572
Total net resourcing for DVA	12,232,955	12,347,564	28,710	12,375,216

1. *Appropriation Act (No. 1) 2014-15 and Appropriation Bill (No. 3) 2014-15.*
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Includes an amount of \$13.5m in 2014-15 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as '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) 2014-15 and Appropriation Bill (No. 4) 2014-15.*
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 2014-15 as at Additional Estimates February 2015 (continued)**Third Party Payments from and on behalf of other entities**

	Estimate at Budget	Estimate at Additional Estimates
	2014-15 \$'000	2014-15 \$'000
Receipts received from the Department of Defence for the provision of services (disclosed above in s74 Retained Revenue Receipts section above)	6,645	6,697
Payments made to corporate entities within the Portfolio		
Australian War Memorial - Bill 1	47,808	47,808
Australian War Memorial - Bill 2	12,444	12,444
Payments made on behalf of Department of Social Services		
<i>Social Security (Administration) Act 1999</i>	56,402	53,639
Payments made on behalf of Department of Social Services		
<i>A New Tax System (Family Assistance)(Administration) Act 1999</i>	1,248	1,113
Payments made on behalf of Department of Social Services for the provision of services	196	196
Payments made by the Department of Human Services (DHS) on behalf of DVA		
<i>Veterans' Entitlements Act 1986,</i>	4,016,709	3,944,171
<i>Military Rehabilitation and Compensation Act 2004</i>	22,367	30,604
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	14,236
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	421	421
Payments made to DHS for processing payment of health care provider treatment accounts and the provision of IT services.	32,982	29,677

1.3 ENTITY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2014-15 Measures since Budget

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Expense measures					
Outcome 1					
Repeal of the Minerals Resource Rent Tax and related measures ¹	1.5 & 1.6				
Administered expenses		248	224	105	-
Departmental expenses		-	-	-	-
Total		248	224	105	-
Total Outcome 1					
Administered		248	224	105	-
Departmental		-	-	-	-
Total		248	224	105	-
Outcome 2					
Medicare Benefits Schedule - new and amended listings ²	2.1				
Administered expenses		(1,108)	(1,718)	(1,806)	(1,943)
Departmental expenses		-	-	-	-
Total		(1,108)	(1,718)	(1,806)	(1,943)
Pharmaceutical Benefits Scheme- new and amended listings ²	2.1 & 2.3				
Administered expenses		84	(710)	(1,235)	(1,538)
Departmental expenses		-	-	-	-
Total		84	(710)	(1,235)	(1,538)
Pharmaceutical Benefits Scheme - price amendments ²	2.3				
Administered expenses		(2,634)	(4,903)	(5,499)	(6,396)
Departmental expenses		-	-	-	-
Total		(2,634)	(4,903)	(5,499)	(6,396)
Repatriation Pharmaceutical Benefits Scheme - new listings and price amendments ²	2.3				
Administered expenses		(19)	(64)	(89)	(116)
Departmental expenses		-	-	-	-
Total		(19)	(64)	(89)	(116)

Continued on next page

Table 1.2: Entity 2014-15 Measures since Budget (continued)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Expense measures					
Outcome 2					
Dementia and Severe Behaviours Supplement - cessation ¹	2.4				
Administered expenses		-	(1,774)	(1,867)	(1,978)
Departmental expenses		-	-	-	-
Total		-	(1,774)	(1,867)	(1,978)
Residential Care - Pre-Entry Leave subsidy - cessation ²	2.4				
Administered expenses		-	(513)	(545)	(584)
Departmental expenses		-	-	-	-
Total		-	(513)	(545)	(584)
A Stronger and Sustainable Medicare* ²	2.1				
Administered expenses		-	(2,768)	(14,523)	(24,927)
Departmental expenses		-	-	-	-
Total		-	(2,768)	(14,523)	(24,927)
Expansion of Rehabilitation Appliances Program to Enhance the Delivery of Falls Prevention	2.4 & 2.5				
Administered expenses		(4,632)	(12,495)	(14,005)	(15,579)
Departmental expenses		-	-	-	-
Total		(4,632)	(12,495)	(14,005)	(15,579)
Total Outcome 2					
Administered		(8,309)	(24,945)	(39,569)	(53,061)
Departmental		-	-	-	-
Total		(8,309)	(24,945)	(39,569)	(53,061)
Total Expense Measures					
Administered		(8,061)	(24,721)	(39,464)	(53,061)
Departmental		-	-	-	-
Total		(8,061)	(24,721)	(39,464)	(53,061)

Prepared on a Government Financial 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).

* The measure was originally announced in the 2014-15 MYEFO and has been partially reversed by a reduction measure announced post-MYEFO. The above figures reflect the current net fiscal impact of the measure since the 2014-15 Budget.

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 2014-15 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 2014-15 Budget

	Programme impacted	2014-15 (\$'000)	2015-16 (\$'000)	2016-17 (\$'000)	2017-18 (\$'000)
Outcome 1					
Increase in estimates (administered)					
Repeal of the Minerals Resource Rent Tax and related measures	1.5	240	216	101	-
Net impact on estimates for Outcome 1 (administered)		240	216	101	-
Outcome 2					
Decrease in estimates (administered)					
Expansion of Rehabilitation Appliances Program to Enhance the Delivery of Falls Prevention	2.4	(151)	(361)	(366)	(373)
Net impact on estimates for Outcome 2 (administered)		(151)	(361)	(366)	(373)

Prepared on a Government Financial Statistics (fiscal) basis

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

	Programme	2014-15	2015-16	2016-17	2017-18
Variation to Annual Appropriation excluding from Measures	impacted	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Outcome 1	1.1-1.6				
Decrease in estimates (administered)					
Changes in price and wage indices		(20)	(28)	(30)	(54)
Increase in estimates (administered)					
Change in beneficiary composition or average rates		453	498	548	45
Other variations not elsewhere defined		2	-	(1)	-
Net impact on estimates for Outcome 1 (administered)¹		435	470	517	(9)
Decrease in estimates (departmental)					
Changes in price & wage indices		-	(274)	(273)	(434)
Net impact on estimates for Outcome 1 (departmental)		-	(274)	(273)	(434)
Outcome 2	2.1-2.6				
Increase in estimates (administered)					
Change in beneficiary composition or average rates		216	215	224	233
Decrease in estimates (administered)					
Changes in price and wage indices		(1)	(5)	(11)	(12)
Net impact on estimates for Outcome 2 (administered)¹		215	210	213	221
Decrease in estimates (departmental)					
Changes in price & wage indices		-	(237)	(233)	(335)
Net impact on estimates for Outcome 2 (departmental)		-	(237)	(233)	(335)
Outcome 3	3.1-3.2				
Increase in estimates (administered)					
Change in beneficiary composition or average rates		2,357	2,726	3,113	3,519
Movement of funds		3,585	127	112	-
Decrease in estimates (administered)					
Change in price and wage indices		(26)	(19)	(16)	(22)
Program specific - other		-	(57)	(55)	(83)
Net impact on estimates for Outcome 3 (administered)		5,916	2,777	3,154	3,414
Decrease in estimates (departmental)					
Changes in price & wage indices		-	(40)	(39)	(57)
Net impact on estimates for Outcome 3 (departmental)		-	(40)	(39)	(57)
Variation to Special Appropriation including from Measures					
Outcome 1		(36,225)	(85,365)	(91,972)	(56,383)
Outcome 2		(13,355)	(14,729)	(29,135)	(58,316)

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) 2014-15

	2013-14 <i>Available</i> (\$'000)	2014-15 Budget (\$'000)	2014-15 Revised (\$'000)	Additional Estimates (\$'000)	Reduced Estimates (\$'000)
ADMINISTERED ITEMS					
Outcome 1	38,422	40,895	41,569	674	-
Outcome 2	5,988	7,279	7,343	64	-
Outcome 3	44,306	54,336	60,252	5,916	-
Total	88,716	102,510	109,164	6,654	-
DEPARTMENTAL PROGRAMMES					
Outcome 1	148,688	146,585	146,585	-	-
Outcome 2	130,839	127,617	127,617	-	-
Outcome 3	23,110	22,573	22,573	-	-
Total	302,637	296,775	296,775	-	-
Total administered and departmental	391,353	399,285	405,939	6,654	-

Table 1.6: Appropriation Bill (No. 4) 2014-15

	2013-14 <i>Available</i> (\$'000)	2014-15 Budget (\$'000)	2014-15 Revised (\$'000)	Additional Estimates (\$'000)	Reduced Estimates (\$'000)
Non-operating					
Equity injections	12,084	2,617	2,617	-	-
Total Departmental	12,084	2,617	2,617	-	-
Administered Assets and Liabilities	-	6,061	6,061	-	-
Total Administered	-	6,061	6,061	-	-
Total non-operating	12,084	8,678	8,678	-	-

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 2014-15 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 2014-15 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

	2013-14 Actual expenses \$'000	2014-15 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	2,794,082	2,677,801
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	55,540	46,769
Expenses not requiring appropriation in the Budget year ²	5,974	4,448
Total for Programme 1.1	2,855,596	2,729,018
Programme 1.2: Veterans' Disability Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	11,595	13,038
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,571,182	1,574,222
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	45,442	37,590
Expenses not requiring appropriation in the Budget year ²	4,887	3,516
Total for Programme 1.2	1,633,106	1,628,366

Continued on next page

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

	2013-14 Actual expenses	2014-15 Revised estimated expenses
Outcome 1:	\$'000	\$'000
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	1,842,117	1,766,899
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	12,512	10,245
Expenses not requiring appropriation in the Budget year ²	1,345	947
Total for Programme 1.3	1,855,974	1,778,091
Programme 1.4: Assistance and Other Compensation for Veterans and Dependants		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	7,074	8,034
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	21,713	19,656
Departmental Expenses		
Special Accounts ³	29,875	35,343
Departmental appropriation ¹	16,951	19,719
Expenses not requiring appropriation in the Budget year ²	1,943	901
Total for Programme 1.4	77,556	83,653
Programme 1.5: Veterans' Children Education Scheme		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	14,948	15,861
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	3,454	2,855
Expenses not requiring appropriation in the Budget year ²	371	239
Total for Programme 1.5	18,773	18,955

Continued on next page

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

	2013-14 Actual expenses	2014-15 Revised estimated expenses
	\$'000	\$'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)	4,217	4,617
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	345,011	398,324
Special Accounts	744	220
Departmental Expenses		
Departmental appropriation ¹	35,279	30,131
Expenses not requiring appropriation in the Budget year ²	3,794	2,709
Total for Programme 1.6	389,045	436,001
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	738,700	60,200
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Programme 1.7	738,700	60,200
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	37,834	41,550
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	6,574,105	6,436,902
Special Accounts	744	220
Expenses not requiring appropriation in the Budget year	738,700	60,200
Departmental Expenses		
Departmental appropriation ¹	169,178	147,309
Expenses not requiring appropriation in the Budget year ²	18,314	12,760
Special Accounts ³	29,875	35,343
Total Expenses for Outcome 1	7,568,750	6,734,284
	2013-14	2014-15
Average Staffing Level (number)	986	960

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 and Audit Fees.
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

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income support pensions	2,762,663	2,659,575	2,569,980	2,491,234	2,388,745
Other allowances	31,419	18,226	5,049	5,322	5,568
Programme support	55,540	46,769	44,563	43,109	44,706
Expenses not requiring appropriation in the Budget year	5,974	4,448	4,701	4,986	5,315
Total programme expenses	2,855,596	2,729,018	2,624,293	2,544,651	2,444,334

Programme 1.2: Veterans' Disability Support

Programme 1.2: expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual Administered Expenses:					
Appropriation Bill No. 1 & 3					
Medical examinations, fares and expenses	11,054	12,247	13,156	14,145	14,558
Repayments of maintenance deductions	- 71	71	71	71	71
Vehicle Assistance Scheme	612	720	722	722	740
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability pensions	1,568,764	1,571,851	1,559,094	1,560,086	1,563,744
Loss of earnings	305	526	555	582	597
Recreation transport allowance	2,113	1,845	1,608	1,402	1,437
Programme support	45,442	37,590	36,426	35,355	36,200
Expenses not requiring appropriation in the Budget year	4,887	3,516	3,883	4,115	4,388
Total programme expenses	1,633,106	1,628,366	1,615,515	1,616,478	1,621,735

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

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widows pension	1,842,117	1,766,899	1,684,575	1,596,375	1,482,813
Programme support	12,512	10,245	9,937	9,642	9,823
Expenses not requiring appropriation in the Budget year	1,345	947	1,060	1,123	1,198
Total programme expenses	1,855,974	1,778,091	1,695,572	1,607,140	1,493,834

Programme 1.4: Assistance and Other Compensation for Veterans and Dependants

Programme 1.4: expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Compensation and Legal Expenses	1,681	1,597	1,587	1,617	1,648
Defective Administration	300	250	250	250	249
Payments to ESOs (BEST & TIP)	4,104	5,002	4,998	5,093	5,100
Veterans' Access to Community Information	935	1,107	1,101	1,120	1,143
Ex Gratia payments	-	-	-	-	-
Act of Grace	54	78	78	80	82
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral benefits	11,403	11,060	9,430	7,801	6,463
POW (J)	-	25	25	25	25
POW (E)	7,689	6,185	4,977	4,006	3,224
Compensation payments for BCAL veterans	898	865	804	761	720
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	40	70	70	70	70
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Compensation for certain AFP personnel with overseas service	-	-	-	-	-
<i>Defence Service Homes Act 1918</i>					
Interest subsidy	1,683	1,451	1,219	1,030	877
Special Account expenses:					
DSHIS	29,875	35,343	34,957	36,750	37,350
Programme support	16,951	19,719	19,216	18,914	17,734
Expenses not requiring appropriation in the Budget year	1,943	901	1,006	1,067	1,137
Total programme expenses	77,556	83,653	79,718	78,584	75,822

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

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('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	14,948	15,861	15,659	15,760	16,237
Programme support	3,454	2,855	2,778	2,705	2,341
Expenses not requiring appropriation in the Budget year	371	239	294	311	332
Total programme expenses	18,773	18,955	18,731	18,776	18,910

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

Programme 1.6: expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Other income support and compensation-related payments - SRCA	2,778	2,840	2,722	2,723	2,790
Other income support and compensation-related payments - MRCA	1,439	1,777	1,956	2,152	1,690
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent impairment	40,182	45,577	41,515	38,364	39,323
Benefits for eligible dependants	14,611	16,519	16,587	16,289	15,777
Incapacity payments	73,297	68,663	68,893	65,147	63,866
Medical examinations	3,825	5,187	4,878	4,420	4,607
Death payments	2,163	2,684	2,553	2,428	2,505
Other income support and compensation-related payments	225	340	339	339	348
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	119,102	142,805	138,865	130,200	128,535
Benefits for eligible dependants	6,751	10,030	10,420	10,728	11,066
Income maintenance payments	75,076	94,905	108,541	117,496	128,681
Medical examinations	9,751	11,577	12,267	12,734	13,189
Other income support and compensation-related payments	28	37	37	37	38
Special Account Expenses:					
Military death claim compensation	744	220	282	246	619
Programme support	35,279	30,131	29,385	28,427	29,324
Expenses not requiring appropriation in the Budget year	3,794	2,709	3,014	3,194	3,406
Total programme expenses	389,045	436,001	442,254	434,924	445,764

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

Programme 1.7: expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Administered Expenses: Expenses not requiring appropriation in the Budget year	738,700	60,200	111,600	133,200	144,700
Total programme expenses	738,700	60,200	111,600	133,200	144,700

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

	2013-14 Actual expenses \$'000	2014-15 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	897,682	888,436
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	20,258	23,151
Expenses not requiring appropriation in the Budget year ²	1,434	2,188
Total for Programme 2.1	919,374	913,775
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	1,644,609	1,635,366
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	12,840	14,029
Expenses not requiring appropriation in the Budget year ²	909	1,006
Total for Programme 2.2	1,658,358	1,650,401
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	397,851	387,240
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,184	1,361
Expenses not requiring appropriation in the Budget year ²	84	125
Total for Programme 2.3	399,119	388,726

Continued on next page

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

	2013-14 Actual expenses \$'000	2014-15 Revised estimated expenses \$'000
Outcome 2:		
Programme 2.4: Veterans' Community Care and Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	2,520	2,478
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	1,554,453	1,710,205
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	28,485	30,594
Expenses not requiring appropriation in the Budget year ²	2,016	2,977
Total for Programme 2.4	1,587,474	1,746,254
Programme 2.5: Veterans' Counselling and Other Health Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	3,468	4,865
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	624,827	649,279
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	30,775	34,405
Expenses not requiring appropriation in the Budget year ²	2,179	2,968
Total for Programme 2.5	661,249	691,517
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	70,161	77,493
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	19,287	20,392
Expenses not requiring appropriation in the Budget year ²	1,366	1,844
Total for Programme 2.6	90,814	99,729

Continued on next page

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

	2013-14 Actual expenses \$'000	2014-15 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	260,300	77,500
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Programme 2.7	260,300	77,500
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	5,988	7,343
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	5,189,583	5,348,019
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	260,300	77,500
Departmental Expenses		
Departmental appropriation ¹	112,829	123,932
Expenses not requiring appropriation in the Budget year ²	7,988	11,108
Total expenses for Outcome 2	5,576,688	5,567,902
	2013-14	2014-15
Average Staffing Level (number)	777	756

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 and Audit Fees.

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

Programme 2.1: General Medical Consultations and Services

Programme 2.1 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations: <i>Veterans' Entitlements Act 1986</i> (VEA)					
LMO consultations	155,600	162,777	166,667	170,649	174,643
Specialist consultations	150,400	148,640	144,010	144,002	139,549
Medical services	485,829	470,870	460,108	448,063	441,198
Dental	105,853	106,149	104,550	104,973	103,836
Programme support	20,258	23,151	22,748	22,363	22,548
Expenses not requiring appropriation in the Budget year	1,434	2,188	2,323	2,491	2,635
Total programme expenses	919,374	913,775	900,406	892,541	884,409

Programme 2.2: Veterans' Hospital Services

Programme 2.2 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations: <i>Veterans' Entitlements Act 1986</i> (VEA)					
Public hospitals	749,308	745,596	744,932	757,992	774,511
Private hospitals	890,933	885,585	887,242	886,585	884,649
Psych	-	1	1	1	1
Nursing homes (POW)	4,368	4,184	4,030	3,900	3,790
Programme support	12,840	14,029	13,832	13,677	10,816
Expenses not requiring appropriation in the Budget year	909	1,006	1,411	1,513	1,601
Total programme expenses	1,658,358	1,650,401	1,651,448	1,663,668	1,675,368

Programme 2.3: Veterans' Pharmaceuticals Benefits

Programme 2.3 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('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	397,851	387,240	362,647	369,513	382,323
Programme support	1,184	1,361	1,333	1,309	1,493
Expenses not requiring appropriation in the Budget year	84	125	139	149	157
Total programme expenses	399,119	388,726	364,119	370,971	383,973

Programme 2.4: Veterans' Community Care and Support

Programme 2.4 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('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	104	145	145	145	145
Community Care Grants	594	630	626	637	646
Joint Venture Grants	1,049	1,110	1,105	1,124	1,140
JV Day Clubs	406	381	368	374	400
JV Home Maintenance*	367	212	-	-	-
Special Appropriations: <i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential care	1,333,39	1,449,59	1,545,18	1,644,96	1,766,36
Community nursing	122,231	137,132	137,590	138,408	139,593
Veterans' Home Care	87,408	100,725	100,089	102,059	106,497
In-home respite	10,445	21,565	21,406	21,717	22,554
Carer and volunteer support	979	1,185	1,404	1,404	1,404
Programme support	28,485	30,594	30,464	30,024	25,465
Expenses not requiring appropriation in the Budget year	2,016	2,977	3,099	3,324	3,516
Total programme expenses	1,587,47	1,746,25	1,841,48	1,944,18	2,067,72

* The Veterans Home Maintenance Line ceased on 5 February 2015

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

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('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	728	1,509	1,506	1,237	864
Compensation and legal expenses	36	55	55	56	57
Veterans' employment & training	582	797	798	822	847
Health & medical research	2,122	2,504	2,493	2,536	2,584
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for treatment	169,385	183,921	184,529	186,530	192,112
Subsistence	6,428	6,496	6,582	6,666	6,755
Veterans and veterans' families counselling services	27,339	31,969	32,701	34,086	35,345
Non-institutional care - services	179,050	178,606	190,085	193,413	196,212
Non-institutional care - products	60,717	64,232	63,343	62,307	61,090
Rehabilitation appliances*	171,877	174,019	170,166	172,360	174,836
Health treatment for BCAL veterans	9,683	9,615	9,578	9,758	9,466
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear test health care payments	348	421	420	418	426
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Health care and rehabilitation for certain AFP personnel with overseas service	-	-	-	-	-
Programme support	30,775	34,405	33,320	32,767	40,884
Expenses not requiring appropriation in the Budget year	2,179	2,968	3,314	3,555	3,760
Total programme expenses	661,249	691,517	698,890	706,511	725,238

* 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

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical services	18,624	20,264	20,218	20,194	20,637
Rehabilitation services	6,294	6,369	6,270	6,178	6,295
Other services	11,451	13,156	13,138	13,129	13,298
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	22,567	25,515	29,114	32,740	36,452
Rehabilitation services	9,396	10,158	10,763	11,173	11,571
Other services	1,829	2,031	2,408	2,855	2,909
Programme support	19,287	20,392	20,055	19,736	18,281
Expenses not requiring appropriation in the Budget year	1,366	1,844	2,048	2,197	2,324
Total programme expenses	90,814	99,729	104,014	108,202	111,767

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

Programme 2.7 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Administered Expenses					
Expenses not requiring appropriation in the Budget year	260,300	77,500	94,100	99,000	104,000
Total programme expenses	260,300	77,500	94,100	99,000	104,000

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.	2013-14 Actual expenses \$'000	2014-15 Revised estimated expenses \$'000
Programme 3.1: War Graves and Commemorations		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	42,979	53,642
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	78	24,127
Departmental Expenses		
Departmental appropriation ¹	22,212	20,308
Expenses not requiring appropriation in the Budget year ²	1,950	1,853
Total for Programme 3.1	67,219	99,930
Programme 3.2: Gallipoli-related Activities		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	5,151	6,610
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,694	1,580
Expenses not requiring appropriation in the Budget year ²	149	120
Total for Programme 3.2	6,994	8,310
Outcome 3 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	48,130	60,252
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	78	24,127
Departmental Expenses		
Departmental appropriation ¹	23,906	21,888
Expenses not requiring appropriation in the Budget year ²	2,099	1,973
Total expenses for Outcome 3	74,213	108,240
	2013-14	2014-15
Average Staffing Level (number)	158	154

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 and Audit Fees.

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

Programme 3.1: War Graves and Commemorations

Programme 3.1 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
War graves care & maintenance	21,323	20,117	15,799	16,542	17,163
OAWG refurbishment, reconstruction & relocation	930	1,008	1,010	1,035	1,061
Compensation and legal expenses	3	5	5	5	5
Veterans' commemorative activities	20,723	32,512	10,030	8,082	7,569
Special Account Expenses:					
Australians at War	-	-	-	-	-
Services for Other Entities and Trust Moneys Special Account	78	102	102	102	122
Anzac Centenary Public Fund Special Account	-	24,025	22,425	19,600	8,500
Programme support	22,212	20,308	17,466	17,025	17,505
Expenses not requiring appropriation in the Budget year	1,950	1,853	1,791	1,907	2,009
Total programme expenses	67,219	99,930	68,628	64,298	53,934

Programme 3.2: Gallipoli-related Activities

Programme 3.2 expenses

	2013-14	2014-15	2015-16	2016-17	2017-18
\$('000)	Actual expenses	Revised budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Gallipoli-related activities	5,151	6,610	3,083	3,160	3,239
Programme support	1,694	1,580	1,438	1,374	1,105
Expenses not requiring appropriation in the Budget year	149	120	145	154	162
Total programme expenses	6,994	8,310	4,666	4,688	4,506

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 2014-15 PB Statements is Table 3.1.2.

Table 3.1.1: Estimates of Special Account Flows and Balances

		Opening balance 2014-15 <i>2013-14</i>	Receipts 2014-15 <i>2013-14</i>	Payments 2014-15 <i>2013-14</i>	Adjustments 2014-15 <i>2013-14</i>	Closing balance 2014-15 <i>2013-14</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Military Death Claim	1	305	220	220	-	305
Compensation Special Account (A)		533	2,368	2,596	-	305
Defence Service Homes Insurance Account (D)	1	2,051	49,531	50,367	-	1,215
Australians at War Special Account (A)	3	231	18	-	-	249
Anzac Centenary Public Fund Special Account (A)	3	4,058	24,000	24,025	-	4,033
Services for Other Entities and Trust Moneys Special Account (A)	3	236	75	102	-	209
Total Special Accounts						
2014-15 Budget estimate		6,881	73,844	74,714	-	6,011
<i>Total Special Accounts</i> <i>2013-14 actual</i>		2,709	59,244	55,072	-	6,881

(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 for a breakeven operating result in 2014-15.

Budgeted Departmental Balance Sheet

The Department's net asset (equity) position for the 2014-15 financial year is projected to be \$54.1 million, which is an increase of \$7.1 million from the estimated Budget figure of \$47.0 million. This change in equity is mainly due to an increase in asset revaluation reserve by \$4.4 million as result of revaluation at 30 June 2014 and an increase in estimated accumulated results by \$2.7 million mainly due to changes to opening accumulated results and reduction in depreciation expense.

3.2.2 Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
EXPENSE					
Employee benefits	199,033	186,192	176,912	174,092	176,582
Supplier expenses	111,177	114,580	114,006	110,391	109,798
Depreciation and amortisation	27,442	25,036	27,423	29,281	31,135
Insurance claims	25,081	28,505	29,000	29,500	30,000
Other expenses	1,264	-	-	-	-
Total expenses	363,997	354,313	347,341	343,264	347,515
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	41,771	43,465	44,923	42,572	43,591
Other revenue	4,165	4,560	4,600	4,700	4,800
Total revenue	45,936	48,025	49,523	47,272	48,391
Gains					
Reversals of previous assets write- downs and impairment	30	-	-	-	-
Resources received free of charge	827	805	805	805	805
Total gains	857	805	805	805	805
Total own-source income	46,793	48,830	50,328	48,077	49,196
Net cost of services	317,204	305,483	297,013	295,187	298,319
Revenue from Government	288,581	283,306	273,040	269,856	271,634
Surplus (Deficit) before income tax on continuing operations	(28,623)	(22,177)	(23,973)	(25,331)	(26,685)

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
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax expense (competitive neutrality)	194	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	(28,817)	(22,177)	(23,973)	(25,331)	(26,685)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	4,380	-	-	-	-
Total other comprehensive income	4,380	-	-	-	-
Total comprehensive income attributable to the Australian Government	(24,437)	(22,177)	(23,973)	(25,331)	(26,685)
Note: Reconciliation of operating result attributable to the agency					
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(24,437)	(22,177)	(23,973)	(25,331)	(26,685)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	27,442	25,036	27,423	29,281	31,135
Total Comprehensive Income (loss) Attributable to the agency	3,005	2,859	3,450	3,950	4,450

Prepared on Australian Accounting Standards basis

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
ASSETS					
Financial assets					
Cash and equivalents	4,185	3,517	2,892	2,739	2,938
Trade and other receivables	17,471	14,404	14,404	14,404	14,404
Appropriation receivables	8,269	6,887	5,100	4,126	4,631
Investments	51,959	57,359	60,359	63,159	65,759
Total financial assets	81,884	82,167	82,755	84,428	87,732
Non-financial assets					
Land and buildings	22,783	20,257	18,868	14,889	11,151
Infrastructure, plant and equipment	8,464	8,771	8,578	9,885	10,192
Intangibles	108,300	101,569	89,818	76,556	62,847
Other non-financial assets	8,666	9,773	9,773	9,773	9,773
Total non-financial assets	148,213	140,370	127,037	111,103	93,963
Total assets	230,097	222,537	209,792	195,531	181,695
LIABILITIES					
Payables					
Supplier payables	20,994	19,507	20,454	21,677	22,506
Other payables	27,996	25,931	25,931	25,931	25,931
Total payables	48,990	45,438	46,385	47,608	48,437
Provisions					
Employee provisions	65,603	65,602	62,222	59,851	59,755
Other provisions	23,448	25,532	25,103	23,974	22,095
Total provisions	89,051	91,134	87,325	83,825	81,850
Total liabilities	138,041	136,572	133,710	131,433	130,287
Net assets	92,056	85,965	76,082	64,098	51,408
Equity					
Contributed equity	187,961	204,047	218,137	231,484	245,479
Asset revaluation reserve	13,471	13,471	13,471	13,471	13,471
Retained surplus (accumulated deficit)	(109,376)	(131,553)	(155,526)	(180,857)	(207,542)
Total equity	92,056	85,965	76,082	64,098	51,408

Prepared on Australian Accounting Standards basis

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	304,246	284,688	274,828	270,830	270,941
Sale of goods and services	51,153	51,733	51,923	49,572	50,591
Net GST received	7,803	13,336	13,336	13,336	13,336
Other	4,543	7,301	2,801	2,801	2,801
Total cash received	367,745	357,058	342,888	336,539	337,669
Total cash received	367,745	357,058	342,888	336,539	337,669
Cash used					
Employees	197,538	187,274	181,552	177,710	176,262
Suppliers	115,681	112,479	109,525	105,746	107,122
Net GST paid	-	13,336	13,336	13,336	13,336
Other	44,955	39,237	36,100	37,100	38,150
Total cash used	358,174	352,326	340,513	333,892	334,870
Total cash used	358,174	352,326	340,513	333,892	334,870
Net cash from or (used by) operating activities	9,571	4,732	2,375	2,647	2,799
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, Proceeds from sales of financial Investments realised	8,400	-	-	-	-
Total cash received	8,400	-	-	-	-
Cash used					
Purchase of property, plant and equipment, and intangibles	32,504	16,086	14,090	13,347	13,995
Purchase of investments	12,200	5,400	3,000	2,800	2,600
Total cash used	44,704	21,486	17,090	16,147	16,595
Net cash from or (used by) investing activities	(36,304)	(21,486)	(17,090)	(16,147)	(16,595)
FINANCING ACTIVITIES					
Cash received					
Equity Injections	26,140	16,086	14,090	13,347	13,995
Total cash received	26,140	16,086	14,090	13,347	13,995
Net cash from or (used by) financing activities	26,140	16,086	14,090	13,347	13,995
Net increase or (decrease) in cash held	(593)	(668)	(625)	(153)	199
Cash and cash equivalents at the beginning of the reporting period	4,778	4,185	3,517	2,892	2,739
Cash and cash equivalents at the end of the reporting period	4,185	3,517	2,892	2,739	2,938

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
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSE					
Employee benefits	195,596	182,109	172,812	169,942	172,382
Supplier expenses	109,643	112,400	111,731	108,066	107,423
Depreciation and amortisation	27,367	24,961	27,348	29,206	31,060
Other expenses	1,264	-	-	-	-
Total expenses	333,870	319,470	311,891	307,214	310,865
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,400	10,773	10,873	7,522	7,541
Total own-source revenue	10,400	10,773	10,873	7,522	7,541
Gains					
Resources received free of charge	800	750	750	750	750
Total gains	800	750	750	750	750
Total own-source income	11,200	11,523	11,623	8,272	8,291
Net cost of (contribution by) services	322,670	307,947	300,268	298,942	302,574
Revenue from Government	288,461	282,986	272,920	269,736	271,514
Surplus (Deficit) before income tax	(34,209)	(24,961)	(27,348)	(29,206)	(31,060)

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Table 3.2.1b: Departmental Comprehensive Income Statement (DVA excluding DSHIS) (Showing Net Cost of Services) (for the period ended 30 June) (continued)

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax (competitive neutrality)	194	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	(34,403)	(24,961)	(27,348)	(29,206)	(31,060)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	4,380	-	-	-	-
Total other comprehensive income	4,380	-	-	-	-
Total comprehensive income attributable to the Australian Government	(30,023)	(24,961)	(27,348)	(29,206)	(31,060)
Note: Reconciliation of operating result attributable to agency					
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(30,023)	(24,961)	(27,348)	(29,206)	(31,060)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	27,367	24,961	27,348	29,206	31,060
Total Comprehensive Income (loss) Attributable to the agency	(2,656)	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,134	2,302	1,656	1,482	1,710
Trade and other receivables	3,097	3,097	3,097	3,097	3,097
Appropriation receivables	8,269	6,887	5,100	4,126	4,631
Investments	-	-	-	-	-
Total financial assets	13,500	12,286	9,853	8,705	9,438
Non-financial assets					
Land and buildings	22,783	20,257	18,868	14,889	11,151
Infrastructure, plant and equipment	8,464	8,771	8,578	9,885	10,192
Intangibles	107,770	101,114	89,438	76,251	62,617
Other non-financial assets	7,773	7,773	7,773	7,773	7,773
Total non-financial assets	146,790	137,915	124,657	108,798	91,733
Total assets	160,290	150,201	134,510	117,503	101,171
LIABILITIES					
Payables					
Supplier payables	17,413	16,200	17,147	18,370	19,199
Other payables	-	-	-	-	-
Total payables	17,413	16,200	17,147	18,370	19,199
Provisions					
Employees	71,533	71,532	68,152	65,781	65,685
Other provisions	8,416	8,416	8,416	8,416	8,416
Total provisions	79,949	79,948	76,568	74,197	74,101
Total liabilities	97,362	96,148	93,715	92,567	93,300
Net assets	62,928	54,053	40,795	24,936	7,871
Equity					
Contributed equity	187,961	204,047	218,137	231,484	245,479
Asset revaluation reserve	13,471	13,471	13,471	13,471	13,471
Retained surplus (accumulated deficit)	(138,504)	(163,465)	(190,813)	(220,019)	(251,079)
Total equity	62,928	54,053	40,795	24,936	7,871

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 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	304,126	284,368	274,708	270,710	270,821
Sale of goods and services	12,177	10,773	10,873	7,522	7,541
Net GST received	7,831	13,336	13,336	13,336	13,336
Other	-	-	-	-	-
Total cash received	324,134	308,477	298,917	291,568	291,698
Cash used					
Employees	194,102	183,536	177,752	173,810	172,262
Suppliers	114,793	111,437	108,475	104,596	105,872
Net GST paid	-	13,336	13,336	13,336	13,336
Other	9,644	-	-	-	-
Total cash used	318,539	308,309	299,563	291,742	291,470
Net cash from (used by) operating activities	5,595	168	- 646	- 174	228
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment, and intangibles	32,504	16,086	14,090	13,347	13,995
Total cash used	32,504	16,086	14,090	13,347	13,995
Net cash from (used by) investing activities	(32,504)	(16,086)	(14,090)	(13,347)	(13,995)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	26,140	16,086	14,090	13,347	13,995
Total cash received	26,140	16,086	14,090	13,347	13,995
Net cash from (used by) financing activities	26,140	16,086	14,090	13,347	13,995
Net increase (decrease) in cash held	(769)	168	(646)	(174)	228
Cash and cash equivalents at the beginning of the reporting period	2,903	2,134	2,302	1,656	1,482
Cash and cash equivalents at the end of the reporting period	2,134	2,302	1,656	1,482	1,710

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	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	3,665	4,083	4,100	4,150	4,200
Supplier expenses	2,499	3,130	3,225	3,275	3,325
Depreciation and amortisation	75	75	75	75	75
Insurance claims	25,081	28,505	29,000	29,500	30,000
Total expenses	31,320	35,793	36,400	37,000	37,600
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	32,564	33,642	35,000	36,000	37,000
Other	4,165	4,560	4,600	4,700	4,800
Total own-source revenue	36,729	38,202	39,600	40,700	41,800
Gains					
Resources received free of charge	57	55	55	55	55
Total gains	57	55	55	55	55
Total own-source income	36,786	38,257	39,655	40,755	41,855
Net contribution by services	(5,466)	(2,464)	(3,255)	(3,755)	(4,255)
Revenue from Government	120	320	120	120	120
Surplus attributable to the Australian Government	5,586	2,784	3,375	3,875	4,375
Total comprehensive income attributable to the Australian Government	5,586	2,784	3,375	3,875	4,375
Note: Reconciliation of comprehensive income attributable to the agency					
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income Attributable to the Australian Government	5,586	2,784	3,375	3,875	4,375
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	75	75	75	75	75
Total Comprehensive Income Attributable to the agency	5,661	2,859	3,450	3,950	4,450

Prepared on Australian Accounting Standards basis

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

	Actual	Revised	Forward	Forward	Forward
	2013-14	budget	estimate	estimate	estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,051	1,215	1,236	1,257	1,228
Trade and other receivables	15,567	12,500	12,500	12,500	12,500
Appropriation receivables	-	-	-	-	-
Investments	51,959	57,359	60,359	63,159	65,759
Total financial assets	69,577	71,074	74,095	76,916	79,487
Non-financial assets					
Intangibles	530	455	380	305	230
Other non-financial assets	893	2,000	2,000	2,000	2,000
Total non-financial assets	1,423	2,455	2,380	2,305	2,230
Total assets	71,000	73,529	76,475	79,221	81,717
LIABILITIES					
Payables					
Supplier payables	4,774	4,500	4,500	4,500	4,500
Other payables	21,565	19,500	19,500	19,500	19,500
Total payables	26,339	24,000	24,000	24,000	24,000
Provisions					
Other provisions	15,533	17,617	17,188	16,059	14,180
Total provisions	15,533	17,617	17,188	16,059	14,180
Total liabilities	41,872	41,617	41,188	40,059	38,180
Net assets	29,128	31,912	35,287	39,162	43,537
Equity					
Contributed equity	-	-	-	-	-
Asset revaluation reserve	-	-	-	-	-
Retained surplus	29,128	31,912	35,287	39,162	43,537
Total equity	29,128	31,912	35,287	39,162	43,537

Prepared on Australian Accounting Standards basis

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	120	320	120	120	120
Sales of goods and services	44,053	41,910	42,000	43,000	44,000
Other	-	7,301	2,801	2,801	2,801
Total cash received	44,173	49,531	44,921	45,921	46,921
Cash used					
Employees	3,665	3,738	3,800	3,900	4,000
Suppliers	1,853	1,992	2,000	2,100	2,200
Other	34,679	39,237	36,100	37,100	38,150
Total cash used	40,197	44,967	41,900	43,100	44,350
Net cash from (used by) operating activities	3,976	4,564	3,021	2,821	2,571
INVESTING ACTIVITIES					
Cash received					
Investments realised	8,400	-	-	-	-
Total cash received	8,400	-	-	-	-
Cash used					
Purchase of property, plant Investments	12,200	5,400	3,000	2,800	2,600
Total cash used	12,200	5,400	3,000	2,800	2,600
Net cash from (used by) investing activities	(3,800)	(5,400)	(3,000)	(2,800)	(2,600)
Net increase (decrease) in cash held	176	(836)	21	21	(29)
Cash and cash equivalents at the beginning of the reporting period	1,875	2,051	1,215	1,236	1,257
Cash and cash equivalents at the end of the reporting period	2,051	1,215	1,236	1,257	1,228

Prepared on Australian Accounting Standards basis

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

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2014	(109,376)	13,471	187,961	92,056
Comprehensive income				
Comprehensive income attributable to the Australian Government	(22,177)	-	-	(22,177)
Total comprehensive income attributable to the Australian Government	(22,177)	-	-	(22,177)
Transactions with owners				
Contribution by owners:				
Appropriation (equity injection)	-	-	2,617	2,617
Departmental Capital Budget (DCBs)	-	-	13,469	13,469
Sub-total transactions with owners	-	-	16,086	16,086
Estimated closing balance				
as at 30 June 2015	(131,553)	13,471	204,047	85,965

Prepared on Australian Accounting Standards

Table 3.2.5: Capital Budget Statement - Departmental

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (Departmental Capital Budget)	14,056	13,469	13,330	13,347	13,995
Equity injections - Bill 2	12,084	2,617	760	-	-
Total capital appropriations	26,140	16,086	14,090	13,347	13,995
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	26,140	16,086	14,090	13,347	13,995
Total items	26,140	16,086	14,090	13,347	13,995
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	10,680	2,617	760	-	-
Funded by capital appropriations - Departmental Capital Budget ¹	14,056	13,469	13,330	13,347	13,995
Funded internally from Departmental resources ²	7,768	-	-	-	-
TOTAL	32,504	16,086	14,090	13,347	13,995
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	32,504	16,086	14,090	13,347	13,995
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	32,504	16,086	14,090	13,347	13,995

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 (2014-15)

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014					
Gross book value	1,350	21,433	8,464	199,573	230,820
Accumulated depreciation/ amortisation and impairment	-	-	-	(91,273)	(91,273)
Opening net book balance	1,350	21,433	8,464	108,300	139,547
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase or internally developed:					
Appropriation equity ¹	-	-	-	2,617	2,617
Appropriation ordinary annual services ²	-	2,201	2,500	8,768	13,469
Total additions	-	2,201	2,500	11,385	16,086
Other movements					
Depreciation/amortisation expense	-	(4,727)	(2,193)	(18,116)	(25,036)
Total depreciation/amortisation	-	(4,727)	(2,193)	(18,116)	(25,036)
As at 30 June 2015					
Gross book value	1,350	23,634	10,964	210,958	246,906
Accumulated depreciation/ amortisation and impairment	-	(4,727)	(2,193)	(109,389)	(116,309)
Closing net book balance	1,350	18,907	8,771	101,569	130,597

Prepared on Australian Accounting Standards basis

1. "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2 & 4) 2014-15.
2. "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2014-15 for depreciation / amortisation expenses, DCBs or other operational expenses.

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

	Actual 2013-14 \$'000	Revised Budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee Benefits	6,142	6,866	10,120	10,120	10,120
Grants	16,588	6,887	6,874	6,999	7,031
Personal benefits	7,345,000	6,499,986	6,356,501	6,203,295	6,009,855
Payments to CAC Act bodies	40,900	47,808	39,325	38,882	39,017
Other	5,487,742	5,518,027	5,569,643	5,688,702	5,843,850
Total expenses administered on behalf of government	12,896,372	12,079,574	11,982,463	11,947,998	11,909,873
LESS:					
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other sources of non-taxation revenue	7,322	9,471	9,471	9,471	9,471
Total non-taxation	7,322	9,471	9,471	9,471	9,471
Total revenues administered on behalf of government	7,322	9,471	9,471	9,471	9,471
Net Cost of (contribution by) services	12,889,050	12,070,103	11,972,992	11,938,527	11,900,402
Surplus (Deficit)	(12,889,050)	(12,070,103)	(11,972,992)	(11,938,527)	(11,900,402)

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 2013-14 \$'000	Revised Budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	52,817	52,817	52,817	52,817	52,817
Other receivables	52,516	51,516	51,516	51,516	51,516
Investments	1,262,433	1,264,752	1,261,745	1,259,234	1,257,656
Total financial assets	1,367,766	1,369,085	1,366,078	1,363,567	1,361,989
Non-financial assets					
Other	-	6,061	6,061	6,061	6,061
Total non-financial assets	-	6,061	6,061	6,061	6,061
Total assets administered on behalf of government	1,367,766	1,375,146	1,372,139	1,369,628	1,368,050
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Provisions and payables					
Other provisions and payables	2,170,357	2,079,977	2,183,550	2,303,429	2,427,808
Personal benefits	4,092,000	4,280,802	4,420,808	4,564,631	4,705,614
Other payables and accrued expenses	44,718	44,718	44,718	44,718	44,718
Total provisions and payables	6,307,075	6,405,497	6,649,076	6,912,778	7,178,140
Total liabilities administered on behalf of the government	6,307,075	6,405,497	6,649,076	6,912,778	7,178,140

Prepared on Australian Accounting Standards basis

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
GST input credit received	47,637	43,512	43,512	43,512	43,512
Other	31,363	9,471	9,471	9,471	9,471
Total cash received	79,000	52,983	52,983	52,983	52,983
Cash used					
Personal benefits	6,592,075	6,427,703	6,216,495	6,059,472	5,868,872
Other	5,339,883	5,503,369	5,493,029	5,609,451	5,773,576
Grant payments	16,978	5,904	5,875	5,981	7,031
GST payments to suppliers	47,908	43,512	43,512	43,512	43,512
Payments to Corporate Entities	40,900	47,808	39,325	38,882	39,017
Total cash used	12,037,744	12,028,296	11,798,236	11,757,298	11,732,008
Net cash from (used by) operating activities	(11,958,744)	(11,975,313)	(11,745,253)	(11,704,315)	(11,679,025)
INVESTING ACTIVITIES					
Cash used					
Payments to Corporate Entities	25,258	12,444	7,179	7,189	7,537
Purchase of property, plant and equipment	-	6,061	-	-	-
Total cash used	25,258	18,505	7,179	7,189	7,537
Net cash from (used) by investing activities	(25,258)	(18,505)	(7,179)	(7,189)	(7,537)
FINANCING ACTIVITIES					
Cash received					
Capital Injections	-	6,061	-	-	-
Total cash received	-	6,061	-	-	-
Net cash from financing activities	-	6,061	-	-	-
Net increase/decrease in cash held	(11,984,002)	(11,987,757)	(11,752,432)	(11,711,504)	(11,686,562)
Cash and cash equivalents at beginning of reporting period	78,801	52,817	52,817	52,817	52,817
Cash from Official Public Account	11,965,468	11,997,228	11,761,903	11,720,975	11,696,033
Cash to Official Public Account	(7,450)	(9,471)	(9,471)	(9,471)	(9,471)
Cash and cash equivalents at end of reporting period	52,817	52,817	52,817	52,817	52,817

Prepared on Australian Accounting Standards basis

Table 3.2.5: Capital Budget Statement - Administered

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'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	-	6,061	-	-	-
TOTAL	-	6,061	-	-	-

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.

Glossary

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.

Glossary

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)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.