

**FOOD STANDARDS  
AUSTRALIA  
NEW ZEALAND**

**Agency Resources and  
Planned Performance**



# Food Standards Australia New Zealand

Health and Ageing Portfolio Agency

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## Section 1: Agency Overview and Resources

### 1.1 Agency Overview

On behalf of the Australian Government and operating as an independent statutory agency under the *Food Standards Australia New Zealand Act 1991* (FSANZ Act 1991), Food Standards Australia New Zealand (FSANZ) develops, reviews and maintains food standards for the sale of food in Australia and New Zealand. The Australian Government is committed to improving the health of all Australians including through the development of food standards and the strengthening of collaborative networks with government, industry and consumers. FSANZ will contribute to providing safe food and better information on food safety for the community.

FSANZ's objectives, in developing or reviewing food standards as set down in legislation, are to: protect public health and safety; ensure the provision of adequate information relating to food to enable informed consumer choice; and prevent misleading and deceptive conduct.

FSANZ also develops Australia-only food standards to address food safety issues, including requirements for primary production and maximum residue limits for pesticides and veterinary medicines.

In addition to its standards development work, FSANZ undertakes a range of other functions in Australia on behalf of the Australian Government to underpin the food regulatory system, including: the national coordination of food surveillance and food recalls; the provision of information to consumers; research; and support for the Australian Quarantine and Inspection Service in the control of imported foods.

FSANZ maintains strong collaborative arrangements with its government partners, industry, consumer organisations, public health bodies and other key stakeholder groups to maximise community support for its work and public confidence in its regulatory decisions.

## 1.2 Agency Resources

Table 1.2.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by departmental classifications.

**Table 1.2.1: FSANZ Resource Statement – Budgeted Estimates for 2009-10 as at Budget May 2009**

	Estimate of prior year amounts available in 2009-10 \$'000	Proposed at Budget 2009-10 \$'000	Total estimate 2009-10 \$'000	Estimated available appropriation 2008-09 \$'000
<b>Opening balance/reserves at bank</b>	6,244	-	6,244	5,561
<b>FUNDS FROM GOVERNMENT</b>				
<b>Ordinary annual services*</b>				
Outcome 1	-	18,970	18,970	17,185
<b>Total ordinary annual services</b>	-	<b>18,970</b>	<b>18,970</b>	<b>17,185</b>
<b>Other services#</b>				
<i>Equity injections</i>	-	120	120	12
<b>Total other services</b>	-	<b>120</b>	<b>120</b>	<b>12</b>
<b>Total annual appropriations</b>	-	<b>19,090</b>	<b>19,090</b>	<b>17,197</b>
<b>Payments from related entities</b>				
Amounts from the portfolio department	-	-	-	290
Amounts from other agencies	-	-	-	-
<b>Total payments</b>	-	-	-	<b>290</b>
<b>Total funds from Government</b>	-	<b>19,090</b>	<b>19,090</b>	<b>17,487</b>
<b>FUNDS FROM OTHER SOURCES</b>				
Interest	-	300	300	600
Royalties	-	-	-	-
Sale of goods and services	-	600	600	863
Other	-	1,499	1,499	1,700
<b>Total other sources</b>	-	<b>2,399</b>	<b>2,399</b>	<b>3,163</b>
<b>Total net resourcing for FSANZ</b>	<b>6,244</b>	<b>21,489</b>	<b>27,733</b>	<b>26,211</b>

Notes: All figures are GST exclusive. CRF – Consolidated Revenue Fund.

FSANZ is not directly appropriated as it is a CAC Act body. Appropriations are made to the FMA Agency Department of Health and Ageing, which are then paid to FSANZ and are considered 'departmental' for all purposes.

\* Appropriation Bill (No.1) 2009-10.

# Appropriation Bill (No.2) 2009-10.

### 1.3 Budget Measures

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

**Table 1.3.1: FSANZ Budget Measures**

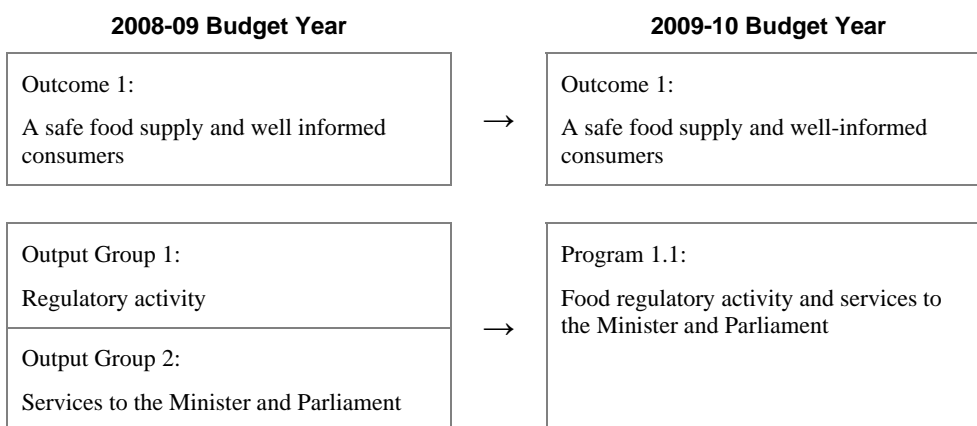
	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
<b>Food Standards Australia New Zealand - funding for upgrading computer systems</b>						
Food Standards Australia New Zealand						
Departmental revenues	1.1	-	1,372	1,061	-	-
Departmental capital		-	120	300	-	-
<b>Total</b>		-	<b>1,492</b>	<b>1,361</b>	-	-

Prepared on a Government Financial Statistics (fiscal) basis.

### 1.4 Transition from Outcomes and Outputs to Outcomes and Programs

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a Program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS Outcome Statements under the Operation Sunlight Outcome Statements Review.

**Figure 1: Transition Table**



Note: Under the previous performance reporting structure, departmental activity was reported under departmental outputs. Under the new structure, departmental costs are reported as Programs.

## Section 2: Outcomes and Planned Performance

### 2.1 Outcomes and Performance Information

#### Outcome 1 – A safe food supply and well-informed consumers

#### Outcome Strategy

The Australian Government is committed to improving the health of all Australians including through the provision of a safe food supply and adequate information enabling them to make informed choices about the food they buy.

The Australian Government, through FSANZ, will manage the development and maintenance of effective evidence-based food standards contributing to a safe food supply. Regulation through food standards is a critical component of the framework required to deliver safe food to the Australian community. The development of food standards and the strengthening of collaborative networks with government, industry and consumers will contribute to providing safe food and better information for the community. Food standards developed by FSANZ are based on risk analysis using the best available scientific and other relevant evidence.

FSANZ will also effectively engage regulatory partners as it contributes to the improvement of the health of Australians. This will enable the governments of Australia and New Zealand, and the Australian states and territories to continue to improve the integrated food regulatory system. Engagement with industry, consumers and the general community will be prioritised to improve awareness of the Australian Government's role in the food regulatory system, through FSANZ's work, and to give people confidence that they are being protected from unsafe products and exposure to potentially unsafe food components.

FSANZ's enabling legislation also requires it to report to the Australian Parliament through the Minister with portfolio responsibility for FSANZ, which includes the provision of a range of Ministerial briefings and correspondence to the Parliamentary Secretary. Ensuring the timely provision of correspondence to the Parliamentary Secretary will provide a reliable system for the responsive, efficient and effective management of Ministerial correspondence relevant to Program 1.1.

Refer to discussions under Program 1.1: Food regulatory activity and services to the Minister and Parliament for further information on these Government initiatives.

## FSANZ Budgeted Expenses and Resources

Table 2.1.1 provides an overview of the total expenses for FSANZ by Program.

**Table 2.1.1: Budgeted Expenses and Resources for FSANZ**

	<b>2008-09</b>	<b>2009-10</b>
	<b>Estimated actual expenses</b>	<b>Estimated expenses</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Program 1.1: Food regulatory activity and services to the Minister and Parliament</b>		
Departmental expenses		
Funds from Government	17,185	18,970
Revenues from other sources	3,453	2,399
Unfunded expenses *	352	-
<b>Subtotal for Program 1.1</b>	<b>20,990</b>	<b>21,369</b>
<b>Total expenses for FSANZ</b>	<b>20,990</b>	<b>21,369</b>
	<b>2008-09</b>	<b>2009-10</b>
<b>Average staffing level (number)</b>	138	128

\* Loss attributable to the effect of the decreased bond rate on employment entitlements.

## Contributions to FSANZ

### Program 1.1: Food regulatory activity and services to the Minister and Parliament

#### Program Objective

Through this Program, the Australian Government aims to protect public health and safety; ensure the provision of adequate information relating to food to enable informed consumer choice; prevent misleading and deceptive conduct; and develop or review food standards as set down in legislation. The following discusses the key strategic directions that the Australian Government will take through FSANZ to help achieve this objective.

#### Key Strategic Directions

This Program aims to:

- manage the development and maintenance of effective evidence-based food standards contributing to the provision of a safe food supply;
- ensure effective engagement with regulatory partners in the implementation of these standards to protect the health and safety of Australians; and
- strengthen engagement with industry, consumers and the general community to increase awareness of the food regulatory system.

#### Major Activities

##### Effective Evidence-based Food Standards

The Australian Government will contribute to the provision of a safe food supply by managing the development and maintenance of effective evidence-based food standards. FSANZ, as the food standards setting agency for the Government, works within an integrated food regulatory system involving the governments of Australia and New Zealand, and the Australian states and territories, and is responsive to the needs and requirements of its key stakeholders.

In 2009-10, FSANZ will finalise primary production and processing standards, and associated codes of practice for eggs and egg products, and a number of applications from industry relating to the approval of genetically modified foods, food additives and processing aids. FSANZ will continue to progress the development of primary production and processing standards for raw milk and raw milk cheeses, plants and plant products, and meat and meat products. Work is progressing on Health Claims, novel foods and maximum residue levels. FSANZ maintains a comprehensive Work Plan, which is available to the public via its website.<sup>1</sup> This Work Plan outlines the expected timetable for all the standards management work that FSANZ is undertaking, or plans to undertake. In addition, FSANZ routinely includes information relating to standards management, including gazettal of final standards. In 2009-10, FSANZ will also complete the review of its Science Strategy. This Strategy encompasses a systematic review of FSANZ's risk assessment processes and scientific expertise, and the collection of nutrient and economic data.

Liaison will continue with overseas regulatory agencies and international bodies such as the World Health Organization, the Codex Alimentarius Commission, and the Food and

<sup>1</sup> Accessible at <[www.foodstandards.gov.au](http://www.foodstandards.gov.au)>.

Agriculture Organization to ensure food standards developed by FSANZ are as consistent as possible with international standards.

FSANZ will transfer two existing data management and modelling systems from outdated and inefficient software systems to a modern database platform. Modelling and data analyses underpin the scientific evidence base used to develop new standards or amend the Food Standards Code. Using the outdated systems was identified as a key business risk by two independent reviews conducted in 2008. Developing the new system and transferring the existing data is expected to take two years to complete. The new system is expected to become operational in July 2011. The new system will provide a simpler more interactive data modelling system that can be accessed by consumers to find out more about the food they consume. The system outputs will be used by the food industry, public health professionals and universities. The outputs will also be used by Australia nationally, for example in the current review of dietary guidelines, and internationally, for example in the development of international food standards through the Codex Alimentarius Commission. A redeveloped system will allow for multi-user access and potential web-based access, which could, in future, facilitate adoption of consistent regional approaches to the assessment of food-based risks.

### **Collaborating Effectively with Regulatory Partners**

FSANZ's role in supporting the Australian Government objective of improving the health and well-being of Australians through a robust and effective food regulatory system is complex, as it requires successfully managing relationships with Australian, State and Territory, local and New Zealand Governments.

FSANZ will maintain activity related to the coordination of the national food recall system, national monitoring and surveillance. During 2009-10, FSANZ will continue to manage its collaboration with regulatory partners through a range of mechanisms including the Jurisdictional Forum (a FSANZ-specific consultative group), participation at meetings of high-level inter-governmental committees (the Food Regulation Standing Committee and the Implementation Sub Committee) and regular bilateral consultations.

The major benefit to Australian consumers of collaboration between FSANZ and its regulatory partners is consistency of approach to the development and implementation of national food standards. This, in turn, helps protect public health and safety; ensure the provision of adequate information relating to food to enable informed consumer choice; and prevent misleading and deceptive conduct.

The major challenge for FSANZ will be to ensure these consultative mechanisms remain effective and efficient.

### **Consumer and Other Stakeholders**

The Australian Government, through FSANZ, will prioritise stakeholder engagements to strengthen community and industry awareness of, and participation in, the food standards setting process. Strong relationships with consumers and other stakeholders are essential to ensure confidence in the robustness of Australia's food standards and their effective adoption.

As a regulatory agency, FSANZ's responsibilities to stakeholders are two-fold: to ensure that they are appropriately informed about FSANZ processes, approaches and outcomes; and to provide opportunities for collaboration on, and input to, decision-making processes.

During 2009-10, FSANZ will maintain and enhance its relationship with key stakeholder groups through its formal consultative mechanisms such as the Consumer Liaison Committee, and the Retailers and Manufacturers Liaison Committee. FSANZ also has in place a number of mechanisms to engage the broader community, such as the website, dedicated telephone lines for easy community access, mail-outs, and regular face-to-face meetings with consumers and stakeholders.

FSANZ will attempt to provide access to information in two ways. First, FSANZ will publish extensively on its website, not only technical reports, but also important information designed to inform the public about the work FSANZ does and responses to topical issues around food standards. Second, FSANZ will provide opportunities for people to comment on its scientific assessments and proposed regulatory measures. FSANZ manages a large volume of enquiries each year and attempts to provide a responsive and informative service to industry and consumers. As well as FSANZ's face-to-face involvement, some of the additional measures used are the publication of fact sheets, web seminars, a bulk email service, media releases and a public register.

The major challenge for FSANZ will be to manage stakeholders' expectations of their influence over standards development. FSANZ will do this by ensuring consultative processes allow for the consideration of consumer and stakeholder views in conjunction with all other factors that must be taken into consideration.

### **Governance Arrangements**

The FSANZ Act 1991 also governs compliance with reporting requirements to the Australian Government. These activities include Ministerial and Parliamentary briefings and reports, and an annual report to Parliament.

In 2009-10, FSANZ will seek to maintain a high level of accuracy, relevance and satisfaction rates of correspondence provided to the Parliamentary Secretary under the Program. Current high levels of achievement highlight the capacity of FSANZ to respond to requests for information regarding food regulation and related matters made by the Australian Government. FSANZ works to provide timely information and advice to the Ministerial team. Having access to evidence-based information and advice enables the Ministerial team to make informed policy decisions. Through this activity, FSANZ provides the Australian community with access to information with respect to safe food supply and adequate information, which enables them to make informed choices about the food they buy.

## Program 1.1: Expenses

FSANZ has projected a breakeven position over the forward years. Appropriation revenue is anticipated to remain stable although other revenue, including cost recovery, is expected to decline in the forward years as a result of the downturn in the global economy.

FSANZ will continue to review the ongoing efficiency and effectiveness of operations to ensure that it continues to operate within its available revenue.

FSANZ has approval to make an operating loss for the amount attributable to the effect of the decreased long-term Government bond rate on employee entitlements.

**Table 2.1.2: Program Expenses**

	2008-09 Estimated actual \$'000	2009-10 Budget \$'000	2010-11 Forward year 1 \$'000	2011-12 Forward year 2 \$'000	2012-13 Forward year 3 \$'000
Annual departmental expenses:					
Funds from Government	17,185	18,970	18,791	17,995	18,141
Revenues from other sources	3,453	2,399	2,399	2,399	2,399
Unfunded expenses*	352	-	-	-	-
<b>Total departmental expenses</b>	<b>20,990</b>	<b>21,369</b>	<b>21,190</b>	<b>20,394</b>	<b>20,540</b>

Note: \* Loss attributable to the effect of the decreased bond rate on employment entitlements.

## Program 1.1: Deliverables

To improve safe food supply, Program 1.1 will seek to protect public health and safety; ensure the provision of adequate information relating to food enabling informed consumer choice; and to prevent misleading and deceptive conduct. FSANZ has overall responsibility for the 'deliverables' that contribute to the Program.

### *Qualitative Deliverable*

#### **Effective Evidence-based Food Standards**

- FSANZ aims to deliver work in a compliant and timely manner, measured through activity regarding applications and proposals, as well as Ministerial correspondence.

**Table 2.1.3: Quantitative Deliverables for Program 1.1**

<b>Quantitative Deliverables</b>	<b>2008-09 Revised Budget</b>	<b>2009-10 Budget</b>	<b>2010-11 Forward Year 1</b>	<b>2011-12 Forward Year 2</b>	<b>2012-13 Forward Year 3</b>
<b>Effective Evidence-based Food Standards</b>					
Percentage of applications and proposals prepared which meet statutory timeframes.	100%	100%	100%	100%	100%
Percentage of Ministerial correspondence completed within Department of Health Ageing timeframes.	100%	100%	100%	100%	100%

### Program 1.1: Key Performance Indicators

The following 'key performance indicators' measure the impact of the Program.

**Table 2.1.4: Quantitative Key Performance Indicators for Program 1.1**

<b>Quantitative Indicators</b>	<b>2008-09 Revised Budget</b>	<b>2009-10 Budget Target</b>	<b>2010-11 Forward Year 1</b>	<b>2011-12 Forward Year 2</b>	<b>2012-13 Forward Year 3</b>
<b>Effective Evidence-based Food Standards</b>					
Timely incorporation of standards into the Food Standards Code through compliance with legislative timeframes.	100%	100%	100%	100%	100%
Percentage of compliance with departmental timeframes for Ministerial correspondence and briefings.	100%	100%	100%	100%	100%

## **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 Budget year 2009-10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and Program expenses, movements in administered funds, special accounts and Government Indigenous expenditure.

### **3.1 Explanatory Tables**

#### **3.1.1 Movement of Administered Funds Between Years**

Section 3.1.1 is not applicable to FSANZ.

#### **3.1.2 Special Accounts**

Section 3.1.2 is not applicable to FSANZ.

#### **3.1.3 Australian Government Indigenous Expenditure**

The 2009-10 Australian Government Indigenous Expenditure Statement is not applicable because FSANZ has no specific Indigenous expenses.

## **3.2 Budgeted Financial Statements**

### **3.2.1 Differences in Agency Resourcing and Financial Statements**

Section 3.2.1 is not applicable to FSANZ.

### **3.2.2 Analysis of Budgeted Financial Statements**

An analysis of FSANZ's budgeted financial statements for 2009-10 is provided below.

#### **Departmental Resources**

##### **Comprehensive Income Statement**

FSANZ has projected a loss of \$0.352 million in 2008-09. This is attributable to making a provision for the effect of the decreased long-term Government bond rates on employee entitlements. A return to a breakeven position in the forward years is anticipated.

##### **Incomes**

Increased appropriation revenue in 2009-10 will reflect the new allocation of funding from the Government for protecting the risk assessment capability of FSANZ by upgrading key databases and data modelling systems.

Revenue from other sources of \$2.399 million in 2009-10 is expected to remain stable across the forward years. The revenue from other sources is received primarily from the New Zealand Government (\$1.499 million), cost recovery arrangements for the processing of paid applications to amend the food standards code (\$0.6 million) and interest (\$0.3 million).

##### **Expenses**

Expenditure in 2008-09 is anticipated to be \$20.990 million, which is lower than the prior year due to reduced Government funding.

Employee expenses will increase across the forward years to reflect collectively agreed pay increases.

Supplier expenses will increase in 2009-10 reflecting the increased allocation of funding but are then expected to decrease in the forward years.

Depreciation and amortisation expenses are expected to increase in 2009-10 and the forward years as assets decline in value over their useful lives.

##### **Balance Sheet**

The cash balance is expected to slightly increase over the forward years.

Property Plant and Equipment decreased in 2008-09 reflecting minimal capital expenditure. A continued decrease is anticipated across future years as the assets decline in value over their useful lives.

Employee provisions are expected to increase over the forward years continuing the trend in recent years.

### 3.2.3 Budgeted Financial Statements Tables

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>EXPENSES</b>					
Employee benefits	14,299	14,213	14,690	15,477	15,477
Supplier	6,208	6,676	6,001	4,357	4,503
Depreciation and amortisation	483	480	499	560	560
Finance costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total expenses</b>	<b>20,990</b>	<b>21,369</b>	<b>21,190</b>	<b>20,394</b>	<b>20,540</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	863	600	600	600	600
Fees and fines	-	-	-	-	-
Interest	600	300	300	300	300
Other revenue	1,990	1,499	1,499	1,499	1,499
<b>Total revenue</b>	<b>3,453</b>	<b>2,399</b>	<b>2,399</b>	<b>2,399</b>	<b>2,399</b>
<b>Gains</b>					
Sale of assets	-	-	-	-	-
Other gains	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>3,453</b>	<b>2,399</b>	<b>2,399</b>	<b>2,399</b>	<b>2,399</b>
<b>Net cost of (contribution by) services</b>	<b>17,537</b>	<b>18,970</b>	<b>18,791</b>	<b>17,995</b>	<b>18,141</b>
Revenue from Government	17,185	18,970	18,791	17,995	18,141
<b>Surplus (Deficit)</b>	<b>(352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	6,244	6,457	6,803	7,082	7,294
Receivables	110	110	110	110	110
<b>Total financial assets</b>	<b>6,354</b>	<b>6,567</b>	<b>6,913</b>	<b>7,192</b>	<b>7,404</b>
<b>Non-financial assets</b>					
Land and buildings	1,182	1,000	900	810	770
Infrastructure, plant and equipment	442	399	358	315	273
Inventories	-	-	-	-	-
Intangibles	9	108	258	216	174
Other	101	101	101	101	101
<b>Total non-financial assets</b>	<b>1,734</b>	<b>1,608</b>	<b>1,617</b>	<b>1,442</b>	<b>1,318</b>
<b>Total assets</b>	<b>8,088</b>	<b>8,175</b>	<b>8,530</b>	<b>8,634</b>	<b>8,722</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	978	968	920	920	920
Other payables	497	350	334	316	300
<b>Total payables</b>	<b>1,475</b>	<b>1,318</b>	<b>1,254</b>	<b>1,236</b>	<b>1,220</b>
<b>Provisions</b>					
Employees	3,954	4,066	4,172	4,281	4,377
Other provisions	267	279	292	305	313
<b>Total provisions</b>	<b>4,221</b>	<b>4,345</b>	<b>4,464</b>	<b>4,586</b>	<b>4,690</b>
<b>Total liabilities</b>	<b>5,696</b>	<b>5,663</b>	<b>5,718</b>	<b>5,822</b>	<b>5,910</b>
<b>Net Assets</b>	<b>2,392</b>	<b>2,512</b>	<b>2,812</b>	<b>2,812</b>	<b>2,812</b>
<b>EQUITY</b>					
Contributed equity	1,403	1,523	1,823	1,823	1,823
Reserves	949	949	949	949	949
Retained surpluses or accumulated deficits	40	40	40	40	40
<b>Total equity</b>	<b>2,392</b>	<b>2,512</b>	<b>2,812</b>	<b>2,812</b>	<b>2,812</b>
Current assets	6,455	6,668	7,014	7,293	7,505
Non-current assets	1,633	1,507	1,516	1,341	1,217
Current liabilities	4,638	4,571	4,592	4,661	4,722
Non-current liabilities	1,058	1,092	1,126	1,161	1,188

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	1,205	510	642	632	642
Funds from Government	17,185	18,970	18,791	17,995	18,141
Interest	615	300	300	300	300
Net GST received	360	360	360	360	360
Other cash received	1,990	1,499	1,499	1,499	1,499
<b>Total cash received</b>	<b>21,355</b>	<b>21,639</b>	<b>21,592</b>	<b>20,786</b>	<b>20,942</b>
<b>Cash used</b>					
Employees	13,838	14,101	14,584	15,368	15,381
Suppliers	6,188	6,689	6,052	4,352	4,511
Net GST paid	402	402	402	402	402
Other cash used	-	-	-	-	-
<b>Total cash used</b>	<b>20,428</b>	<b>21,192</b>	<b>21,038</b>	<b>20,122</b>	<b>20,294</b>
<b>Net cash from (or used by) operating activities</b>	<b>927</b>	<b>447</b>	<b>554</b>	<b>664</b>	<b>648</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Disposal of property	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	256	354	508	385	436
<b>Total cash used</b>	<b>256</b>	<b>354</b>	<b>508</b>	<b>385</b>	<b>436</b>
<b>Net cash from (or used by) investing activities</b>	<b>(256)</b>	<b>(354)</b>	<b>(508)</b>	<b>(385)</b>	<b>(436)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	12	120	300	-	-
<b>Total cash received</b>	<b>12</b>	<b>120</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Other cash used	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by) financing activities</b>	<b>12</b>	<b>120</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Net increase (or decrease) in cash held</b>	<b>683</b>	<b>213</b>	<b>346</b>	<b>279</b>	<b>212</b>
Cash at the beginning of the reporting period	5,561	6,244	6,457	6,803	7,082
<b>Cash at the end of the reporting period</b>	<b>6,244</b>	<b>6,457</b>	<b>6,803</b>	<b>7,082</b>	<b>7,294</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2009-10)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2009</b>	<b>40</b>	<b>949</b>	<b>-</b>	<b>1,403</b>	<b>2,392</b>
Net operating result	-	-	-	-	-
Appropriation (equity injection)	-	-	-	120	120
<b>Estimated closing balance as at 30 June 2010</b>	<b>40</b>	<b>949</b>	<b>-</b>	<b>1,523</b>	<b>2,512</b>

**Table 3.2.5: Departmental Capital Budget Statement**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	12	120	300	-	-
Total loans	-	-	-	-	-
Special appropriations	-	-	-	-	-
<b>Total capital appropriations</b>	<b>12</b>	<b>120</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Represented by:</b>					
Purchase of non-financial assets	-	120	300	-	-
Other	12	-	-	-	-
<b>Total represented by</b>	<b>12</b>	<b>120</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	120	300	-	-
Funded internally from Departmental resources <sup>*</sup>	256	234	208	385	436
Assets received due to restructure (FMA s32)	-	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>256</b>	<b>354</b>	<b>508</b>	<b>385</b>	<b>436</b>

Notes: <sup>\*</sup> Includes the following sources of funding:

- annual and prior year appropriations;
- donations and contributions;
- gifts;
- finance leases;
- internally developed assets;
- s31 relevant agency receipts; and
- proceeds from the sale of assets.

**Table 3.2.6: Statement of Asset Movements – Departmental**

	Land	Buildings	Other infrastructure, plant & equipment	Intangibles	Other non- financial assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>as at 1 July 2009</b>						
Gross book value	-	1,679	584	18	101	2,382
Accumulated depreciation/amortisation	-	497	142	9	-	648
<b>Opening net book balance</b>	<b>-</b>	<b>1,182</b>	<b>442</b>	<b>9</b>	<b>101</b>	<b>1,734</b>
<b>CAPITAL ASSET ADDITIONS</b>						
<b>Estimated expenditure on new or replacement assets</b>						
by purchase or internally developed	-	142	92	120	-	354
by finance lease	-	-	-	-	-	-
by contribution/donation	-	-	-	-	-	-
by gift	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>142</b>	<b>92</b>	<b>120</b>	<b>-</b>	<b>354</b>
<b>Other Movements</b>						
Depreciation/amortisation expense	-	324	135	21	-	480
Disposals	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>as at 30 June 2010</b>						
Gross book value	-	1,821	676	138	101	2,736
Accumulated depreciation/amortisation	-	821	277	30	-	1,128
<b>Closing net book balance</b>	<b>-</b>	<b>1,000</b>	<b>399</b>	<b>108</b>	<b>101</b>	<b>1,608</b>

Note: \* Proceeds may be returned to the Official Public Account.

### **3.2.4 Notes to the Financial Statements**

The budgeted financial statements for FSANZ are prepared for the Budget year, previous year and three forward years.

#### **Departmental Financial Statements**

##### **Budgeted Departmental Comprehensive Income Statement (for the period ended 30 June)**

This statement provides a picture of the expected financial results for the FSANZ by identifying full accrual expenses and revenues.

##### **Budgeted Departmental Balance Sheet (as at 30 June)**

The statement shows the financial position of the FSANZ. It enables decision-makers to track the management of the FSANZ's assets and liabilities.

##### **Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)**

Budgeted cash flows as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by characterising them into expected cash flows from operating activities, investing activities and financing activities.

##### **Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2009-2010)**

This table shows the movements in equity during the Budget year.