

AUSTRALIAN SECURITY  
INTELLIGENCE  
ORGANISATION



## Section 1: Overview, variations and measures

### OVERVIEW

Under the provisions of the *Australian Security Intelligence Organisation Act 1979*, the Australian Security Intelligence Organisation (ASIO) provides information on risks to the nation's security to help government comprehend and manage the security environment. Security as defined in the ASIO Act is the protection of Australia and Australians from politically motivated violence (terrorism), communal violence, espionage, foreign interference, sabotage and attacks on Australia's defence system.

ASIO's outcome "A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance" supports the Government's policy aim of a secure Australia in a secure region.

The information provided in the ASIO Additional Estimates Statement has necessarily been limited by the need to observe the requirements of national security. This is consistent with current practice observed by ASIO in presenting its Annual Report, where all sensitive information is excluded in accordance with section 94 of the ASIO Act.

This Additional Estimates Statement contains broad appropriations and performance information. Additional national security classified information is provided to the Attorney-General, the National Security Committee of Cabinet and the Secretaries' Committee on National Security. This enables scrutiny of the detail of ASIO's appropriations and performance information related to outcomes and outputs.

There are no changes to ASIO's role/mission and outcomes/outputs structures as a result of Additional Estimates.

### ADDITIONAL ESTIMATES SUMMARY

Departmental variations (net appropriation increase of \$0.206m):

- \$0.102m increase reflecting the transfer of appropriation from DFAT for locally engaged staff in accordance with a Memorandum of Understanding establishing a cost recovery regime between DFAT and ASIO.
- \$0.256m increase for the provision of training and advice on counter terrorism to Melanesia;
- \$0.152m reduction in appropriation to reflect the lowering of the Capital Use Charge to 11% from 12%.

**Map 1: Outcomes and output groups**

**AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION**  
**Director General of Security : Mr Dennis Richardson**

Total price of outputs	\$69.500m <b>(up \$0.206m)</b>
Departmental outcome appropriation	\$64.996m <b>(up \$0.206m)</b>

**Outcome 1: A secure Australia for people and property, for government business and national infrastructure, and for special events of national and international significance**

Total price of outputs	\$69.500m <b>(up \$0.206m)</b>
Departmental outcome appropriation	\$64.996m <b>(up \$0.206m)</b>

**Output 1.1: Security intelligence**

Total price	\$69.500m <b>(up \$0.206m)</b>
Approp	\$64.996m <b>(up \$0.206m)</b>

**ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES****Additional Estimates and Variations to Outcomes**

	<b>2001–02</b> <b>(\$'000)</b>	<b>2002–03</b> <b>(\$'000)</b>	<b>2003–04</b> <b>(\$'000)</b>	<b>2004–05</b> <b>(\$'000)</b>
<b>Outcome 1</b>				
Increase/(decrease) in departmental appropriations	0.206	0.168	0.154	(0.112)
<b>Total changes to Appropriations</b>	<b>0.206</b>	<b>0.168</b>	<b>0.154</b>	<b>(0.112)</b>

**Explanation of increase in Departmental Appropriations (\$0.206m)**

ASIO will receive additional appropriations in the 2001–02 for the following items:

- Transfer of appropriation from DFAT for locally engaged staff

Transfer of appropriation from DFAT for locally engaged staff in accordance with a Memorandum of Understanding establishing a cost recovery regime between DFAT and ASIO.

- Counter-terrorism training and advice for Melanesia

Additional funds over a three-year period to enable the provision of advice and training on counter-terrorism to Melanesia.

## MEASURES — AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION SUMMARY

Table 1.1: Summary of measures since the 2001–02 Budget

Measure	Outcome	Outputs affected	Appropriations 2001–02 (\$'000)			Appropriations 2002–03 (\$'000)			Appropriations 2003–04 (\$'000)			Appropriations 2004–05 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Counter-terrorism training and advice for Melanesia	1	1.1	-	0.256	0.256	-	0.262	0.262	-	0.268	0.268	-	-	-
<b>Total</b>			-	<b>0.256</b>	<b>0.256</b>	-	<b>0.262</b>	<b>0.262</b>	-	<b>0.268</b>	<b>0.268</b>	-	-	-

**BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL****Table 1.2: Appropriation Bill (No. 3) 2001–02**

	<b>Actual 2000–01 \$'000</b>	<b>Budget 2001–02 \$'000</b>	<b>Revised 2001–02 \$'000</b>	<b>Additional Estimates \$'000</b>	<b>Reduced Estimates \$'000</b>
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance	64.152	64.790	64.996	0.206	-
<b>Total</b>	<b>64.152</b>	<b>64.790</b>	<b>64.996</b>	<b>0.206</b>	<b>-</b>

## SUMMARY OF STAFFING CHANGES

**Table 1.4: Average staffing level (ASL)**

	<b>Budget 2001–02</b>	<b>Revised 2001–02</b>	<b>Variation</b>
<b>Outcome 1</b>			
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance	563.1	565.6	2.5
<b>Total</b>	<b>563.1</b>	<b>565.6</b>	<b>2.5</b>

### Explanation of Variation

The variation in the estimated average staffing levels comprises minor increases in staff numbers from the two new measures.

## VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS

**Table 1.5: Changes to net annotated appropriations (Section 31) receipts**

	<b>Total approp 2001–02 Budget \$'000</b>	<b>Total approp 2001–02 Revised \$'000</b>	<b>Receipts from independent sources Budget \$'000</b>	<b>Receipts from independent sources Revised \$'000</b>	<b>Variation in non-govt revenue \$'000</b>
<b>Outcome 1</b>					
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance	64,790	64,996	4,504	-	-
<b>Total</b>	<b>64,790</b>	<b>64,996</b>	<b>4,504</b>	<b>-</b>	<b>-</b>

### Explanation of Variations

There have been no forecast movements in the Section 31 receipts since the publication of the 2001–02 Portfolio Budget Statements.

## Section 2: Revisions to outcomes and outputs

There are no changes to the performance information for ASIO's outcomes and outputs arising from Additional Estimates variations and measures.

## Section 3: Budgeted Financial Statements

**Table 3.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June**

	Actual 2000–01 \$'000	Revised Budget 2001–02 \$'000	Estimated 2002–03 \$'000	Estimated 2003–04 \$'000	Estimated 2004–05 \$'000
<b>Revenues from ordinary activities</b>					
Revenue from government	64,152	64,996	63,840	66,618	67,684
Sales of goods and services	3,345	366	298	316	316
Interest	431	15	20	30	30
Other	1,608	4,123	1,098	1,106	1,114
<b>Total revenues from ordinary activities</b>	<b>69,536</b>	<b>69,500</b>	<b>65,256</b>	<b>68,070</b>	<b>69,144</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	41,937	38,661	37,000	38,174	38,231
Suppliers	28,363	23,595	17,639	18,272	19,289
Depreciation and amortisation	6,369	7,834	8,280	9,044	9,044
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>76,669</b>	<b>70,090</b>	<b>62,919</b>	<b>65,490</b>	<b>66,564</b>
Borrowing cost expense	-	-	-	-	-
<b>Net surplus or (deficit) from ordinary activities</b>	<b>(7,133)</b>	<b>(590)</b>	<b>2,337</b>	<b>2,580</b>	<b>2,580</b>
Gain or loss on extraordinary items	-	-	-	-	-
<b>Net surplus or (deficit)</b>	<b>(7,133)</b>	<b>(590)</b>	<b>2,337</b>	<b>2,580</b>	<b>2,580</b>
Capital use charge	1,348	2,110	2,337	2,580	2,580
<b>Net surplus or (deficit) after capital use charge</b>	<b>(8,686)</b>	<b>(2,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2: Budgeted Departmental Statement of Financial Position  
as at 30 June**

	<b>Actual 2000–01 \$'000</b>	<b>Revised Budget 2001–02 \$'000</b>	<b>Estimated 2002–03 \$'000</b>	<b>Estimated 2003–04 \$'000</b>	<b>Estimated 2004–05 \$'000</b>
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	2,944	4,418	2,500	2,615	1,509
Receivables	2,037	175	180	180	180
Investments	-	-	-	-	-
Other	331	-	-	-	-
<b>Total financial assets</b>	<b>5,312</b>	<b>4,593</b>	<b>2,680</b>	<b>2,795</b>	<b>1,689</b>
<b>Non-financial assets</b>					
Land and buildings	7,441	7,589	8,341	7,793	7,193
Infrastructure, plant and equipment	17,023	19,160	21,460	24,118	26,093
Intangibles	2,320	3,119	4,082	4,146	3,765
Other	819	300	300	300	300
<b>Total non-financial assets</b>	<b>27,603</b>	<b>30,168</b>	<b>34,183</b>	<b>36,357</b>	<b>37,351</b>
<b>Total assets</b>	<b>32,915</b>	<b>34,761</b>	<b>36,863</b>	<b>39,152</b>	<b>39,040</b>
<b>LIABILITIES</b>					
<b>Debt</b>					
Leases	711	529	331	115	-
Other	-	-	-	-	-
<b>Total debt</b>	<b>711</b>	<b>529</b>	<b>331</b>	<b>115</b>	<b>-</b>
<b>Provisions and payables</b>					
Employees	12,708	13,267	13,527	13,789	13,790
Suppliers	1,901	1,786	1,764	1,798	1,800
Other	-	-	-	-	-
<b>Total provisions and payables</b>	<b>14,609</b>	<b>15,053</b>	<b>15,291</b>	<b>15,587</b>	<b>15,590</b>
<b>Total liabilities</b>	<b>15,320</b>	<b>15,582</b>	<b>15,622</b>	<b>15,702</b>	<b>15,590</b>
<b>EQUITY</b>					
Capital	13,168	17,452	19,514	21,723	21,723
Reserves	1,930	1,930	1,930	1,930	1,930
Accumulated surpluses or deficits	2,497	(203)	(203)	(203)	(203)
<b>Total equity</b>	<b>17,595</b>	<b>19,179</b>	<b>21,241</b>	<b>23,450</b>	<b>23,450</b>
<b>Liabilities and equity</b>	<b>32,915</b>	<b>34,761</b>	<b>36,863</b>	<b>39,152</b>	<b>39,040</b>

**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June**

	Actual 2000-01 \$'000	Revised Budget 2001-02 \$'000	Estimated 2002-03 \$'000	Estimated 2003-04 \$'000	Estimated 2004-05 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	62,695	64,996	63,840	66,618	67,684
Sales of goods and services	2,262	2,228	293	316	316
Interest	527	15	20	30	30
Other	1,508	4,123	1,098	1,106	1,114
<b>Total cash received</b>	<b>66,992</b>	<b>71,362</b>	<b>65,251</b>	<b>68,070</b>	<b>69,144</b>
<b>Cash used</b>					
Employees	42,251	38,102	36,740	37,912	38,230
Suppliers	26,804	23,191	17,661	18,238	19,287
Other	-	-	-	-	-
<b>Total cash used</b>	<b>69,055</b>	<b>61,293</b>	<b>54,401</b>	<b>56,150</b>	<b>57,517</b>
<b>Net cash from operating activities</b>	<b>(2,063)</b>	<b>10,069</b>	<b>10,850</b>	<b>11,920</b>	<b>11,627</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	184	-	-	-	-
<b>Total cash received</b>	<b>184</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	5,741	10,918	12,295	11,218	10,038
<b>Total cash used</b>	<b>5,741</b>	<b>10,918</b>	<b>12,295</b>	<b>11,218</b>	<b>10,038</b>
<b>Net cash from investing activities</b>	<b>(5,557)</b>	<b>(10,918)</b>	<b>(12,295)</b>	<b>(11,218)</b>	<b>(10,038)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash Received</b>					
Other	240	4,284	2,062	2,209	-
<b>Total cash received</b>	<b>240</b>	<b>4,284</b>	<b>2,062</b>	<b>2,209</b>	<b>-</b>
<b>Cash used</b>					
Repayments of debt	167	182	198	216	115
Capital use and dividends paid	4,840	1,779	2,337	2,580	2,580
<b>Total cash used</b>	<b>5,007</b>	<b>1,961</b>	<b>2,535</b>	<b>2,796</b>	<b>2,695</b>
<b>Net cash from financing activities</b>	<b>(4,767)</b>	<b>2,323</b>	<b>(473)</b>	<b>(9,587)</b>	<b>(2,695)</b>
<b>Net increase in cash held</b>	<b>(12,387)</b>	<b>1,474</b>	<b>(1,918)</b>	<b>115</b>	<b>(1,106)</b>
Cash at the beginning of the reporting period	15,331	2,944	4,418	2,500	2,615
<b>Cash at the end of the reporting period</b>	<b>2,944</b>	<b>4,418</b>	<b>2,500</b>	<b>2,615</b>	<b>1,509</b>

**Table 3.4: Departmental Capital Budget Statement**

	Actual 2000–01 \$'000	Revised Budget 2001–02 \$'000	Estimated 2002–03 \$'000	Estimated 2003–04 \$'000	Estimated 2004–05 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	240	4,284	2,062	2,209	-
Total loans	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	5,741	10,918	12,295	11,218	10,038
Other	-	-	-	-	-
<b>Total</b>	<b>5,741</b>	<b>10,918</b>	<b>12,295</b>	<b>11,218</b>	<b>10,038</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	240	4,284	2,062	2,209	-
Funded internally by departmental resources	5,501	6,634	10,233	9,009	10,038
<b>Total</b>	<b>5,741</b>	<b>10,918</b>	<b>12,295</b>	<b>11,218</b>	<b>10,038</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental**

The operating losses reflected in the Statement of Financial Performance for 2000-01 and 2001-02 are due to abnormally high supplier expenses arising from the timing of contract payments associated with special project activity.

**APPENDIX 1****Non-Appropriation Departmental Revenue**

	<b>Budget Estimate 2001–02 \$'000</b>	<b>Revised Estimate 2001–02 \$'000</b>
<b>DEPARTMENTAL REVENUE</b>		
Sales of goods and services	366	366
Interest	15	15
Other	4,123	4,123
<b>Total Estimated Departmental Revenue</b>	<b>4,504</b>	<b>4,504</b>