

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.

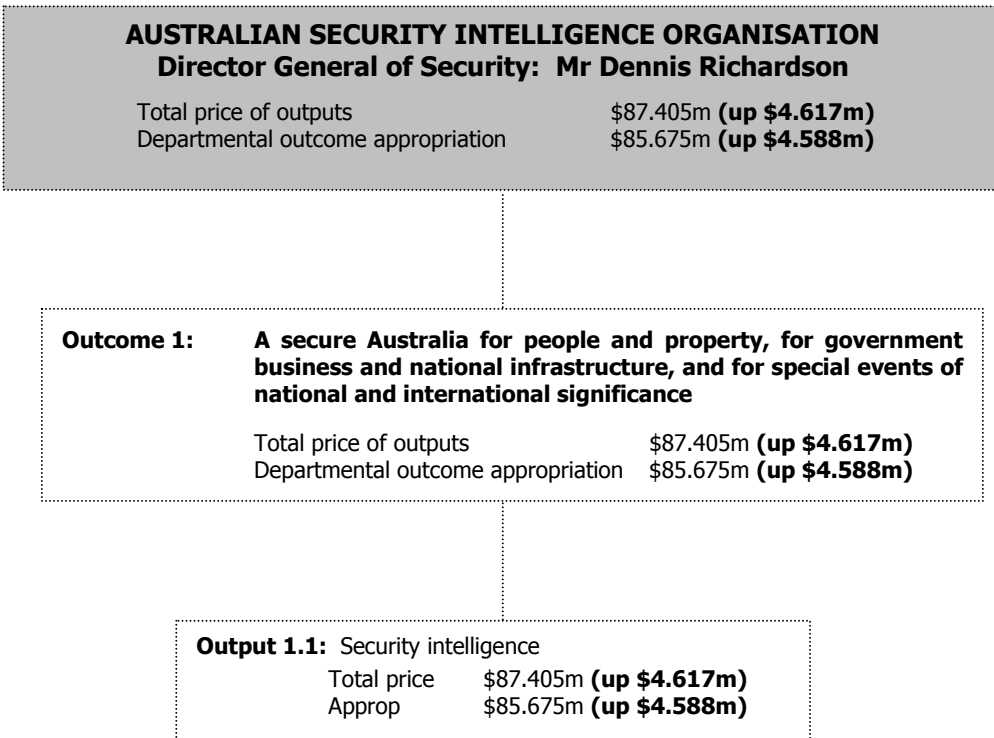
There are no changes to ASIO's role/mission and outcomes/outputs structures as a result of Additional Estimates.

ADDITIONAL ESTIMATES SUMMARY

Departmental variations (net appropriation increase of \$4.588m):

- additional funding of \$1.170m for increase in market rent;
- additional funding of \$3.418m (including funding for depreciation and capital use charge of \$0.118m) to further ASIO's capability to respond to the threat of terrorism.

Map 1: Outcomes and output groups



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

	2002–03 (\$'000)	2003–04 (\$'000)	2004–05 (\$'000)	2005–06 (\$'000)
Outcome 1				
Review of Australian security capability and arrangements	3,418	6,135	6,235	6,235
Additional funding for increase in market rent	1,170	-	-	-
Total changes to appropriations	4,588	6,135	6,235	6,235

Explanation of variations**Departmental**

ASIO will receive additional appropriations in 2002–03 for the following items:

- Measure 1 — review of Australian security capability and arrangements \$3.418m
 - Additional funding to further ASIO's capability to respond to the threat of terrorism;
- Measure 2 — increase in market rent \$1.170m
 - Additional funding for the increase in market rent on the ASIO building.

MEASURES — AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION SUMMARY

Table 1.1: Summary of measures since the 2002–03 Budget

Measure	Outcome	Outputs affected	Appropriations 2002–03 \$'000			Appropriations 2003–04 \$'000			Appropriations 2004–05 \$'000			Appropriations 2005–06 \$'000		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Review of Australian security capability and arrangements	1	1.1	-	3,418	3,418	-	6,135	6,135	-	6,235	6,235	-	6,235	6,235
Additional funding for increase in market rent	1	1.1	-	1,170	1,170	-	-	-	-	-	-	-	-	-
Total			-	4,588	4,588	-	6,135	6,135	-	6,235	6,235	-	6,235	6,235

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL**Table 1.2: Appropriation Bill (No. 3) 2002–03**

	Actual 2001–02 \$'000	Budget 2002–03 \$'000	Revised 2002–03 \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1					
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance					
	64,996	81,087	85,675	4,588	-
Total	64,996	81,087	85,675	4,588	-

SUMMARY OF STAFFING CHANGES**Table 1.4: Average staffing level (ASL)**

	Budget 2002–03	Revised 2002–03	Variation
Outcome 1			
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance			
	595.4	603.0	7.6
Total	595.4	603.0	7.6

Change in staff numbers

The variation in the estimated average staffing levels reflects the increase in resources required to respond to the threat of terrorism.

VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS**Table 1.5: Changes to net annotated appropriations (Section 31) receipts**

	Total approp 2002–03 Budget \$'000	Total approp 2002–03 Revised \$'000	Receipts from independent sources Budget \$'000	Receipts from independent sources Revised \$'000	Variation in non-govt revenue \$'000
Outcome 1					
A secure Australia for people and property, for government business and national infrastructure, and for special events of a national and international significance					
	82,788	87,405	1,701	1,730	29
Total	82,788	87,405	1,701	1,730	29

Explanation of Variations

The variation of \$0.029m in the Section 31 receipts relates to an increase in interest revenue.

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 ending 30 June

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
Revenues from ordinary activities					
Revenue from government	65,682	85,675	90,715	97,146	95,834
Sales of goods and services	6,851	1,200	1,200	1,200	1,200
Interest	210	30	30	30	30
Other	1,084	500	500	500	500
Total revenues from ordinary activities	73,827	87,405	92,445	98,876	97,564
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	41,959	47,500	53,280	57,584	57,872
Suppliers	24,786	29,376	28,107	27,782	26,637
Other	1,100	320	320	320	320
Depreciation and amortisation	6,606	8,035	8,094	9,581	9,055
Total expenses from ordinary activities (excluding borrowing costs expense)	74,451	85,231	89,801	95,267	93,884
Borrowing cost expense	58	50	50	50	-
Net surplus or (deficit) from ordinary activities	(682)	2,124	2,594	3,559	3,680
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or (deficit)	(682)	2,124	2,594	3,559	3,680
Capital use charge	(1,545)	(2,124)	(2,594)	(3,559)	(3,680)
Net surplus or (deficit) after capital use charge	(2,227)	-	-	-	-

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

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
ASSETS					
Financial assets					
Cash	6,631	3,997	6,003	4,886	3,375
Receivables	741	600	600	600	600
Investments	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	7,372	4,597	6,603	5,486	3,975
Non-financial assets					
Land and buildings	11,981	12,885	11,965	11,006	10,007
Infrastructure, plant and equipment	19,460	25,553	29,563	32,862	36,302
Intangibles	2,219	1,528	1,285	899	370
Other	377	377	377	377	377
Total non-financial assets	34,037	40,343	43,190	45,143	47,056
Total assets	41,409	44,940	49,793	50,630	51,031
LIABILITIES					
Debt					
Leases	533	339	145	-	-
Other	-	-	-	-	-
Total debt	533	339	145	-	-
Provisions and payables					
Employees	13,068	13,390	13,778	14,210	14,611
Suppliers	3,339	2,500	2,500	2,500	2,500
Other	468	468	468	468	468
Total provisions and payables	16,875	16,358	16,746	17,178	17,579
Total liabilities	17,408	16,697	16,891	17,178	17,579
EQUITY					
Capital	17,452	22,144	26,803	27,353	27,353
Reserves	6,279	6,279	6,279	6,279	6,279
Accumulated surpluses or deficits	270	(180)	(180)	(180)	(180)
Total equity	24,001	28,243	32,902	33,452	33,452
Liabilities and equity	41,409	44,940	49,793	50,630	51,031
Current liabilities	9,672	8,697	8,491	8,778	8,579
Non current liabilities	7,736	8,000	8,400	8,400	9,000
Current assets	7,749	4,974	6,980	5,863	4,352
Non current assets	33,660	39,966	42,813	44,766	46,679

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

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	64,996	85,675	90,715	97,146	95,834
Sales of goods and services	9,210	1,341	1,200	1,200	1,200
Interest	210	30	30	30	30
Other	2,163	500	500	500	500
Total cash received	76,579	87,546	92,445	98,876	97,564
Cash used					
Employees	41,599	47,177	52,891	57,152	57,470
Suppliers	24,362	30,216	28,107	27,782	26,638
Other	58	-	-	-	-
Total cash used	66,019	77,393	80,998	84,934	84,108
Net cash from operating activities	10,560	10,153	11,447	13,942	13,456
INVESTING ACTIVITIES					
Cash received					
Other	225	934	800	800	800
Total cash received	225	934	800	800	800
Cash used					
Purchase of property, plant and equipment	10,458	15,595	12,061	12,654	12,088
Total cash used	10,458	15,595	12,061	12,654	12,088
Net cash from investing activities	(10,233)	(14,661)	(11,261)	(11,854)	(11,288)
FINANCING ACTIVITIES					
Cash received					
Other	4,284	4,692	4,659	550	-
Total cash received	4,284	4,692	4,659	550	-
Cash used					
Repayments of debt	178	244	244	195	-
Capital use and dividends paid	746	2,574	2,594	3,559	3,680
Total cash used	924	2,818	2,838	3,754	3,680
Net cash from financing activities	3,360	1,874	1,821	(3,204)	(3,680)
Net increase in cash held	3,687	(2,634)	2,006	(1,116)	(1,512)
Cash at the beginning of the reporting period	2,944	6,631	3,997	6,003	4,886
Cash at the end of the reporting period	6,631	3,997	6,003	4,886	3,375

Table 3.4: Departmental Capital Budget Statement

	Actual 2001–02 \$'000	Revised Budget 2002–03 \$'000	Forward Estimate 2003–04 \$'000	Forward Estimate 2004–05 \$'000	Forward Estimate 2005–06 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	4,284	4,692	4,659	550	-
Total loans	-	-	-	-	-
Represented by:					
Purchase of non-financial assets	4,284	4,692	4,659	550	-
Other	-	-	-	-	-
Total	4,284	4,692	4,659	550	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	4,284	4,692	4,659	550	-
Funded internally by departmental resources	6,174	10,903	7,402	12,104	12,088
Total	10,458	15,595	12,061	12,654	12,088

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2002–03)

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	944	11,037	11,981	19,460	19,460	2,219	33,660
Additions	-	2,183	2,183	13,002	13,002	410	15,595
Disposals	-	-	-	1,254	1,254	-	1,254
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expenses	-	1,279	1,279	5,655	5,655	1,101	8,035
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at the end of year	944	11,941	12,885	25,553	25,553	1,528	39,966
Total Additions							
Self funded	-	2,183	2,183	8,310	8,310	410	10,903
Appropriations	-	-	-	4,692	4,692	-	4,692
Total	-	2,183	2,183	13,002	13,002	410	15,595

NOTES TO THE FINANCIAL STATEMENTS

Departmental Appropriations

1. The increase in departmental appropriations from 2001–02 reflects increased funding for counter-terrorism response, enhanced technical capability and additional resources to further ASIO's capability to respond to the threat of terrorism.
2. Revenue arising from sales of goods and services and other independent sources in 2001–02 relates to the reimbursement of CHOGM expenditure.
3. The reduction in interest revenue reflect adjustments in relation to the Agency Banking Incentive Scheme.

APPENDIX 1

Revenue from Independent Sources

	Budget Estimate 2002–03 \$'000	Revised Estimate 2002–03 \$'000
DEPARTMENTAL REVENUE		
Sales of goods and services	498	1,200
Interest	105	30
Other	1,098	500
Total Non-Appropriation Departmental Revenue	1,701	1,730