

# AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The role of the Australian Security Intelligence Organisation (ASIO) is to identify and investigate threats to 'security', both in Australia and overseas, and to provide advice to protect Australia, its people and its interests. ASIO supports the Australian Government policy aim of a 'secure Australia in a secure region'.

'Security' is defined in the *Australian Security Intelligence Organisation Act 1979* as espionage, sabotage, politically motivated violence, the promotion of communal violence, attacks on Australia's defence system and acts of foreign interference. It includes the carrying out of Australia's responsibilities to any foreign country in relation to security.

ASIO is the only Australian intelligence agency that both collects and assesses security intelligence.

A defining feature of the security environment in recent years has been its increasing complexity. ASIO's responsibility – and that of its Australian and international partners – is to make sense of this dynamic and fast-paced environment in order to provide informed, relevant and timely advice to decision-makers and other operational agencies.

Much of the capability investment in ASIO in recent years has bolstered our ability to manage effectively the volume and fragmentary nature of the information we obtain; to keep pace with rapid technological developments; to expand our national and international reach; to enhance the skills of our people; and to ensure we are joined up effectively with partners.

Terrorism – particularly by violent jihadists – has posed the most significant security threat to Australia for a number of years. It will continue to do so for the foreseeable future. Australia and Australians have been the targets of actual and planned terrorist attacks, and terrorist-related activity continues to take place in Australia. ASIO works closely with law enforcement and related partners in supporting terrorism-related prosecutions.

While counter-terrorism remains, appropriately, a major priority, ASIO continues to build momentum in other areas. This has been particularly important in meeting the growing demands of countering espionage and foreign interference, including the increased demand for reporting and advice, and the continued upward trend in the sophistication of those involved in such activity. Countering electronic espionage – a new dimension of the threat – will be a complex and resource-intensive task.

Border security is a key focus, and important enhancements have improved processes and connectivity with key partners, particularly for visa security checks.

ASIO has strengthened engagement with the private sector, principally through the Business Liaison Unit, which currently has 621 subscribers to its website and has posted 190 reports on the site.

In October 2005 ASIO commenced implementation of a five-year strategic plan to boost ASIO's organisation-wide capabilities. ASIO currently has around 1,640 staff, more than double the number at the end of 2002-03 (668). We will continue to recruit around 170 additional staff in 2009-10. With the influx of a large number of new staff, ASIO's training and development commitment has been enhanced – this will remain a priority.

The breadth and depth of the growth in capability is evident. The commitment of additional resources means that ASIO is now more capable, more effective and more productive. But there can be no let-up given the seriousness and complexity of the threat environment.

ASIO's focus will remain fixed firmly on the prevention of harm to Australians and Australian interests, wherever threats emerge, while managing effectively the continued growth of the organisation to meet current and future challenges. Accordingly, ASIO's identified critical success factors include:

- countering threats to security
- managing growth and change
- enhancing the capability of our people
- shaping an appropriate culture, and
- increasing the capability of our technology and systems.

## **1.2 AGENCY RESOURCE STATEMENT**

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by departmental classification.

**Table 1.1: Agency resource statement—Budget 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)	Actual available appropriation 2008–09 (\$'000)
<b>ORDINARY ANNUAL SERVICES</b>						
<b>Departmental</b>						
Prior year departmental appropriation	170,700		–		–	–
Departmental appropriation	–		408,518 <sup>1</sup>		579,218	352,653
S 31 relevant agency receipts	–		4,600 <sup>3</sup>		4,600	5,730
<b>Total ordinary annual services</b>	<b>170,700</b>		<b>413,118</b>		<b>583,818</b>	<b>358,383</b>
<b>OTHER SERVICES</b>						
<b>Departmental non-operating</b>						
Equity injections	82,489		16,457 <sup>2</sup>		98,946	70,810
<b>Total other services</b>	<b>82,489</b>		<b>16,457</b>		<b>98,946</b>	<b>70,810</b>
<b>Total net resourcing for agency</b>	<b>253,189</b>		<b>429,575</b>		<b>682,764</b>	<b>429,193</b>

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2009–10.
2. Appropriation Bill (No. 2) 2009–10.
3. Section 31 relevant agency receipts—estimate.

### 1.3 BUDGET MEASURES

The government will maintain the counter-proliferation intelligence enhancement measure for which funding has already been included in the forward estimates.

### 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. Figure 2 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 ASIO's outcome statement under the Operation Sunlight Outcome Statements Review.

**Figure 2: Transition table**

2008–09 Budget year	2009–10 Budget year
Outcome 1: A secure Australia for people and property, Government business and national infrastructure, and special events of national and international significance	Outcome 1: Security for Australia and its interests—locally and internationally—through intelligence collection and advice that counters politically motivated violence, espionage, foreign interference, communal violence, sabotage, and attacks on the defence system
Output Group 1.1: Security intelligence	Program 1.1: Security intelligence

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs, which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs that contribute to government outcomes over the Budget and forward years.

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

**Outcome 1: Security for Australia and its interests—locally and internationally—through intelligence collection and advice that counters politically motivated violence, espionage, foreign interference, communal violence, sabotage, and attacks on the defence system**

#### Outcome 1 strategy

ASIO’s outcome supports the Australian Government’s policy aim of ‘A secure Australia in a secure region’.

The information provided in the ASIO Budget Statements 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 *Australian Security Intelligence Organisation Act 1979*.

The ASIO Budget Statements contain broad information on appropriations and performance. Additional national security classified information is provided to the Attorney-General and the National Security Committee of Cabinet. This enables scrutiny of the detail of ASIO’s appropriations and performance information related to outcomes and programs.

## Outcome 1 budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

**Table 2.1: Budgeted expenses and resources for Outcome 1**

<b>Outcome 1: Security for Australia and its interests—locally and internationally—through intelligence collection and advice that counters politically motivated violence, espionage, foreign interference, communal violence, sabotage, and attacks on the defence system</b>	<b>2008–09 Estimated actual expenses (\$'000)</b>	<b>2009–10 Estimated expenses (\$'000)</b>
<b>Program 1.1: Security intelligence</b>		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	352,653	408,518
Revenues from independent sources (Section 31)	5,730	4,600
Expenses not requiring appropriation in the Budget year <sup>1</sup>	1,375	1,444
<b>Total expenses for Outcome 1</b>	<b>359,758</b>	<b>414,562</b>
	<b>2008–09</b>	<b>2009–10</b>
<b>Average staffing level (number)</b>	1,493	1,696

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

1. Resources received free of charge.

## Contributions to Outcome 1

### Program 1.1: Security intelligence

#### Program objective

ASIO's program objective is security for Australia and its interests—locally and internationally—through intelligence collection and advice that counters politically motivated violence, espionage, foreign interference, communal violence, sabotage, and attacks on the defence system.

**Program 1.1 expenses**

ASIO has experienced a period of growth since 2006–07 as a result of the review of ASIO resourcing (the Taylor Review). Program expenses have increased considerably each year to facilitate ASIO’s expanding capability. This expansion period is scheduled to reach program targets in 2010–11. Expenditure from 2010–11 is to sustain program levels.

(\$'000)	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual departmental expenses					
Departmental item	358,383	413,118	416,301	420,019	422,098
Expenses not requiring appropriation in the Budget year	1,375	1,444	1,516	1,592	1,672
<b>Total program expenses</b>	<b>359,758</b>	<b>414,562</b>	<b>417,817</b>	<b>421,611</b>	<b>423,770</b>

**Program 1.1 deliverables**

There are four components of the program, each providing a key contribution to the outcome:

- Security intelligence analysis and advice including strategic, investigative and complex analysis; threat assessments; border security; critical infrastructure protection; policy contribution; and support to prosecutions.
- Protective security advice including counter-terrorist checking; personnel security; physical security; and policy contribution.
- Security intelligence investigation and capabilities including the maintenance and enhancement of all-source security intelligence collection; complex tactical and technical analysis; technical research and development; counter-terrorism response; national and international liaison; and policy contribution.
- Foreign intelligence collection in Australia at the request of the Minister for Foreign Affairs or the Minister for Defence, as well as incidentally through security intelligence investigations and liaison with overseas partners.

Due to national security reasons, ASIO is not able to provide details of its deliverables.

### **Program 1.1 key performance indicators**

ASIO has two key performance indicators:

- the contribution of ASIO's action and advice to the management and the reduction of risk to:
  - people and property
  - government business and national infrastructure
  - special events of national and international significance, and
- the security of ASIO's activities.

Achievement of these indicators will be monitored by the:

- level of government satisfaction as indicated by client feedback
- relevant client feedback on agency outputs in regard to quality and timeliness
- resource use against priorities and cost effectiveness
- ASIO's security performance, and
- maintenance of ASIO's security integrity

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents explanatory tables and budgeted financial statements that 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.

### **3.1 EXPLANATORY TABLES**

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

ASIO has no administered funding.

#### **3.1.2 Special accounts**

ASIO has no special accounts.

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

ASIO has no Indigenous-specific expenses.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

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

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

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

#### **Departmental**

##### **Income statement**

Total income is estimated to be \$413.118m in 2009–10, an increase of \$54.735m from 2008–09. The majority of the increase relates to measures arising from the independent review of ASIO's resources conducted in 2005–06 (the Taylor Review). Commencing in 2006–07, the combined measures provide a five-year strategic program for ASIO to strengthen its capability to better meet the range of challenges faced.

Total expenses are estimated to be \$413.118m in 2009–10, an increase of \$54.735m from 2008–09. The increase is primarily the result of increased expenses relating to the measures approved in the 2006–07 and 2007–08 Budgets.

ASIO has estimated an operating surplus of nil in 2009–10, and in the forward years.

##### **Balance sheet**

ASIO's estimated net asset position is \$462.014m in 2009–10, an increase of \$16.457m from 2008–09. The increase is attributable to capital equity injections from previously approved Budget measures already reflected in forward estimates.

##### **Capital budget statement**

ASIO is estimating capital outlays of \$104.213m in 2009–10, a decrease of \$4.878m from 2008–09. These capital outlays are funded through capital appropriations from 2009–10, through capital appropriation funding remaining from prior year measures and internally by departmental resources.

### 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	168,350	189,404	205,257	210,388	215,647
Suppliers	140,803	162,719	144,849	135,485	108,361
Depreciation and amortisation	49,230	60,995	66,195	74,146	98,090
<b>Total expenses</b>	<b>358,383</b>	<b>413,118</b>	<b>416,301</b>	<b>420,019</b>	<b>422,098</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	3,208	2,200	1,000	1,000	1,000
Other revenue	1,654	2,400	2,400	2,400	2,400
<b>Total revenue</b>	<b>4,862</b>	<b>4,600</b>	<b>3,400</b>	<b>3,400</b>	<b>3,400</b>
<b>Gains</b>					
Sale of assets	868	–	–	–	–
<b>Total gains</b>	<b>868</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total own-source income</b>	<b>5,730</b>	<b>4,600</b>	<b>3,400</b>	<b>3,400</b>	<b>3,400</b>
<b>Net cost of (contribution by) services</b>	<b>(352,653)</b>	<b>(408,518)</b>	<b>(412,901)</b>	<b>(416,619)</b>	<b>(418,698)</b>
Appropriation revenue	352,653	408,518	412,901	416,619	418,698
<b>Surplus (deficit)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>–</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	26,608	25,883	24,308	25,497	16,902
Trade and other receivables	249,385	231,005	234,450	254,450	344,450
Other	3,936	2,243	1,469	1,328	785
<b>Total financial assets</b>	<b>279,929</b>	<b>259,131</b>	<b>260,227</b>	<b>281,275</b>	<b>362,137</b>
<b>Non-financial assets</b>					
Land and buildings	76,400	63,579	50,016	36,453	225,613
Infrastructure, plant and equipment	125,394	183,809	261,349	307,045	55,921
Intangibles	11,403	9,119	2,725	1,897	1,307
Other	14,176	17,634	15,591	14,522	12,417
<b>Total non-financial assets</b>	<b>227,373</b>	<b>274,141</b>	<b>329,681</b>	<b>359,917</b>	<b>295,258</b>
<b>Total assets</b>	<b>507,302</b>	<b>533,272</b>	<b>589,908</b>	<b>641,192</b>	<b>657,395</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	33,171	38,911	44,894	50,783	56,869
<b>Total provisions</b>	<b>33,171</b>	<b>38,911</b>	<b>44,894</b>	<b>50,783</b>	<b>56,869</b>
<b>Payables</b>					
Suppliers	22,023	24,784	21,420	19,660	16,171
Other	6,551	7,563	11,876	17,490	31,096
<b>Total payables</b>	<b>28,574</b>	<b>32,347</b>	<b>33,296</b>	<b>37,150</b>	<b>47,267</b>
<b>Total liabilities</b>	<b>61,745</b>	<b>71,258</b>	<b>78,190</b>	<b>87,933</b>	<b>104,136</b>
<b>Net assets</b>	<b>445,557</b>	<b>462,014</b>	<b>511,718</b>	<b>553,259</b>	<b>553,259</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	424,780	441,237	490,941	532,482	532,482
Reserves	8,894	8,894	8,894	8,894	8,894
Retained surpluses or accumulated deficits	11,883	11,883	11,883	11,883	11,883
<b>Total parent entity interest</b>	<b>445,557</b>	<b>462,014</b>	<b>511,718</b>	<b>553,259</b>	<b>553,259</b>
<b>Total equity</b>	<b>445,557</b>	<b>462,014</b>	<b>511,718</b>	<b>553,259</b>	<b>553,259</b>
<b>Current assets</b>	<b>294,105</b>	<b>276,765</b>	<b>275,818</b>	<b>295,797</b>	<b>374,554</b>
<b>Non-current assets</b>	<b>213,197</b>	<b>256,507</b>	<b>314,090</b>	<b>345,395</b>	<b>282,841</b>
<b>Current liabilities</b>	<b>13,869</b>	<b>14,098</b>	<b>19,609</b>	<b>26,518</b>	<b>41,311</b>
<b>Non-current liabilities</b>	<b>47,876</b>	<b>57,160</b>	<b>58,581</b>	<b>61,415</b>	<b>62,825</b>

\* 'Equity' is the residual interest in assets after deduction of liabilities.

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	5,624	580	2,555	1,000	1,000
Appropriations	302,653	428,518	407,901	396,619	328,698
Other	24,180	13,514	9,071	8,070	4,808
<b>Total cash received</b>	<b>332,457</b>	<b>442,612</b>	<b>419,527</b>	<b>405,689</b>	<b>334,506</b>
<b>Cash used</b>					
Employees	139,842	163,115	177,089	181,943	186,626
Suppliers	145,985	182,045	157,561	148,103	127,011
Other					
<b>Total cash used</b>	<b>285,827</b>	<b>345,160</b>	<b>334,650</b>	<b>330,046</b>	<b>313,637</b>
<b>Net cash from (used by) operating activities</b>	<b>46,630</b>	<b>97,452</b>	<b>84,877</b>	<b>75,643</b>	<b>20,869</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	109,091	104,213	123,778	105,450	26,785
Other	10,909	10,421	12,378	10,545	2,679
<b>Total cash used</b>	<b>120,000</b>	<b>114,634</b>	<b>136,156</b>	<b>115,995</b>	<b>29,464</b>
<b>Net cash from (used by) investing activities</b>	<b>(120,000)</b>	<b>(114,634)</b>	<b>(136,156)</b>	<b>(115,995)</b>	<b>(29,464)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations—contributed equity	70,810	16,457	49,704	41,541	–
<b>Total cash received</b>	<b>70,810</b>	<b>16,457</b>	<b>49,704</b>	<b>41,541</b>	<b>–</b>
<b>Net cash from (used by) financing activities</b>	<b>70,810</b>	<b>16,457</b>	<b>49,704</b>	<b>41,541</b>	<b>–</b>
<b>Net increase (decrease) in cash held</b>	<b>(2,560)</b>	<b>(725)</b>	<b>(1,575)</b>	<b>1,189</b>	<b>(8,595)</b>
Cash at beginning of reporting period	29,168	26,608	25,883	24,308	25,497
<b>Cash at end of reporting period</b>	<b>26,608</b>	<b>25,883</b>	<b>24,308</b>	<b>25,497</b>	<b>16,902</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 (\$'000)	Asset revaluation reserve (\$'000)	Contributed equity/ capital (\$'000)	Total equity (\$'000)
<b>Opening balance as at 1 July 2009</b>				
Balance carried forward from previous period	11,883	8,894	424,780	445,557
<b>Adjusted opening balance</b>	<b>11,883</b>	<b>8,894</b>	<b>424,780</b>	<b>445,557</b>
<b>Income and expenses</b>				
Surplus (deficit) for the period	–	–	–	–
<b>Total income and expenses</b>	<b>11,883</b>	<b>8,894</b>	<b>424,780</b>	<b>445,557</b>
<b>Transactions with owners</b>				
Contribution by owners				
Appropriation (equity injection)	–	–	16,457	16,457
<b>Sub-total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>16,457</b>	<b>16,457</b>
<b>Estimated closing balance as at 30 June 2010</b>	<b>11,883</b>	<b>8,894</b>	<b>441,237</b>	<b>462,014</b>

Prepared on Australian Accounting Standards basis.

**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	70,810	16,457	49,704	41,541	–
<b>Total capital appropriations</b>	<b>70,810</b>	<b>16,457</b>	<b>49,704</b>	<b>41,541</b>	<b>–</b>
<b>Represented by:</b>					
Purchase of non-financial assets	70,810	16,457	49,704	41,541	–
<b>Total represented by</b>	<b>70,810</b>	<b>16,457</b>	<b>49,704</b>	<b>41,541</b>	<b>–</b>
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	70,810	16,457	49,704	41,541	–
Funded internally from departmental resources <sup>1</sup>	38,281	87,756	74,074	63,909	26,785
<b>TOTAL</b>	<b>109,091</b>	<b>104,213</b>	<b>123,778</b>	<b>105,450</b>	<b>26,785</b>

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:
  - annual and prior year appropriations
  - internally developed assets
  - s 31 relevant agency receipts, and
  - proceeds from the sale of assets.

**Table 3.2.6: Statement of departmental asset movements (2009–10)**

	Land (\$'000)	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Intangibles (\$'000)	Total (\$'000)
<b>As at 1 July 2009</b>					
Gross book value	1,385	104,980	201,805	37,868	346,038
Accumulated depreciation/ amortisation	–	29,965	76,411	26,465	132,841
<b>Opening net book balance</b>	<b>1,385</b>	<b>75,015</b>	<b>125,394</b>	<b>11,403</b>	<b>213,197</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase or internally developed	–	742	90,829	12,734	104,305
<b>Sub-total</b>	<b>–</b>	<b>742</b>	<b>90,829</b>	<b>12,734</b>	<b>104,305</b>
<b>Other movements</b>					
Depreciation/amortisation expense	–	13,563	32,414	15,018	60,995
<b>As at 30 June 2010</b>					
Gross book value	1,385	105,722	292,634	50,602	450,343
Accumulated depreciation/ amortisation	–	43,528	108,825	41,483	193,836
<b>Closing net book balance</b>	<b>1,385</b>	<b>62,194</b>	<b>183,809</b>	<b>9,119</b>	<b>256,507</b>

Prepared on Australian Accounting Standards basis.

### 3.2.4 Notes to the financial statements

#### Basis of accounting

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister’s Orders, Australian Accounting Standards, the Australian Equivalents to International Financial Reporting Standards and Accounting Guidance Releases, and having regard to Statements of Accounting Concepts.

#### Revenue from government

Amounts appropriated for departmental appropriations are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is only recognised when it is earned. Appropriations receivable are recognised at their nominal amounts.

#### Revenue from other sources

Revenue from other sources relates to other revenue received under section 31 of the *Financial Management and Accountability Act 1997*. This includes revenue for the provision of security assessments and protective security advice, proceeds on sale of assets, rental charges, and resources that are received free of charge.

**Employee expenses**

Employee expenses consist of salaries, leave entitlements and superannuation.

**Supplier expenses**

Supplier expenses include consultant, contractor, travel and administrative costs.

**Assets**

Assets are made up of cash, receivables, land and buildings, infrastructure plant and equipment, computer software and other (prepayments).

Cash includes notes and coins held and any deposits held at call with a bank or other financial institution.

**Liabilities**

Liabilities are made up of employee salary and leave entitlement, property lease make-good provisions and amounts owed to creditors.