

# AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

In 2017–18, the Australian Security Intelligence Organisation (ASIO) will work to protect Australia, its people and its interests from serious threats to security by:

- collecting, investigating and assessing intelligence on potential threats to Australia's security
- providing advice to, and partnering with, Australian governments, government agencies and businesses, to assist them to effectively manage security risks and disrupt activities that threaten Australia's security.

ASIO's areas of focus will continue to be:

- countering terrorism and the promotion of communal violence
- countering espionage, foreign interference and malicious insiders
- countering serious threats to Australia's border integrity
- providing protective security advice
- collecting foreign intelligence in Australia, at the request of Minister for Defence or the Minister for Foreign Affairs.

ASIO's work in these areas will be set against a steadily worsening overall security and operational environment.

Terrorism remains a serious security issue both globally and within Australia. Since the national terrorism threat level was raised in September 2014, there have been four onshore terrorist attacks and more than 10 disruption operations in response to attack planning in Australia. The conflict in Syria and Iraq has shaped a generation of extremists in Australia who will present a security risk for at least the coming decade. Foreign fighters returning or forcibly dispersed from Syria and Iraq will also present a longer-term risk to Australians and Australian interests at home, in our immediate region and further abroad. ASIO's counter-terrorism investigative caseload has grown significantly in recent years, with a greater proportion of cases involving higher levels of threat. This will continue to put pressure on ASIO's resources during 2017–18.

Terrorist attacks on law enforcement, military and security personnel in Australia and overseas also demonstrate a very real threat to staff working to provide security for their nation and people. Additional, enhanced protective and operational security measures will be required to allow ASIO personnel to operate safely and effectively in this environment.

*Australian Security Intelligence Organisation*

Espionage and foreign interference against Australia, including by cyber means, will continue to occur on an unprecedented scale and have the potential to cause serious harm to the nation's sovereignty, the integrity of our political system, our national security capabilities, our economy and other interests. Foreign investments in sensitive national critical infrastructure that raise national security concerns will remain an important focus for ASIO in 2017-18.

Rapidly changing technology and the widespread use of encryption are providing individuals and groups who are engaged in activities of security concern with tools to obscure their activities from security and law enforcement agencies. ASIO, along with its national and international partners, will remain under considerable pressure to develop technological and other capabilities that provide access to the information required to identify and disrupt harmful activities.

To manage these challenges and achieve its performance objectives, ASIO will continue to invest in the people, systems and intelligence capabilities required to identify, assess and provide advice on threats to Australia's security. ASIO will partner with government, national and international security agencies and Australian businesses to jointly mitigate the security risks facing Australia.

In light of the scale of the security and operating environment challenges, ASIO cannot provide absolute assurance that activities that harm Australia's national security will not occur. ASIO will rigorously prioritise its efforts so that available resources are focused on threats representing the highest potential harm to Australians and Australian interests. As a result, ASIO will continue to have reduced scope to address a range of known but relatively lower-priority threats.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to ASIO for its operations and to deliver programs and services on behalf of the government.

Table 1.1 is prepared on a resourcing (that is, appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

**Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017**

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
<b>DEPARTMENTAL</b>		
<b>Annual appropriations—ordinary annual services(a)</b>		
Prior year appropriations available	82,124	35,157
Departmental appropriation(b)	403,020	417,815
Section 74 retained revenue receipts(c)	20,319	22,414
Departmental capital budget(d)	28,092	68,575
<b>Annual appropriations—other services—non-operating(e)</b>		
Prior year appropriations available	3,838	412
Equity injection	14,103	13,541
<b>Total net resourcing for entity</b>	<b>551,496</b>	<b>557,914</b>
	<b>2016–17</b>	<b>2017–18</b>
<b>Average staffing level (number)</b>	<b>1,772</b>	<b>1,835</b>

Prepared on a resourcing (that is, appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Excludes the departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

(e) Appropriation Bill (No. 2) 2017–18.

### 1.3 BUDGET MEASURES

Budget measures announced since the 2016–17 Mid-Year Economic and Fiscal Outlook (MYEFO) relating to ASIO are detailed in Budget Paper No. 2 and are summarised in Part 1 of Table 1.2. Other measures not previously reported in a portfolio statement are summarised in Part 2.

**Table 1.2: Entity 2017–18 Budget measures**

**Part 1: Measures announced since the 2016–17 MYEFO**

Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
<b>Revenue measures</b>					
Gold Coast 2018 Commonwealth Games—additional Australian Government support(a)	1.1				
Departmental revenue	–	nfp	–	–	–
<b>Total revenue measures</b>	–	–	–	–	–
<b>Expense measures</b>					
Gold Coast 2018 Commonwealth Games—additional Australian Government support(a)	1.1				
Departmental expenses	–	nfp	–	–	–
National Security—Australian Security Intelligence Organisation—additional funding	1.1				
Departmental expenses	–	nfp	nfp	nfp	nfp
Standardisation of Overseas Allowances for Australian Government Employees—efficiencies(b)	1.1				
Departmental expenses	–	–	164	167	169
<b>Total expense measures</b>	–	–	<b>164</b>	<b>167</b>	<b>169</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) The lead entity for this measure is the Department of Health. The full measure description and package details appear in Budget Paper No. 2 under the Health portfolio.

(b) This is a cross-portfolio measure.

**Part 2: MYEFO measures and other measures not previously reported in a portfolio statement**

	Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
<b>Expense measures</b>						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental expenses		–	(6,215)	(10,280)	(12,388)	(3,971)
<b>Total expense measures</b>		<b>–</b>	<b>(6,215)</b>	<b>(10,280)</b>	<b>(12,388)</b>	<b>(3,971)</b>
<b>Capital measures</b>						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental capital		–	(1,059)	(2,214)	(1,391)	(446)
<b>Total capital measures</b>		<b>–</b>	<b>(1,059)</b>	<b>(2,214)</b>	<b>(1,391)</b>	<b>(446)</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) This is a cross-portfolio measure that was published in the 2016–17 Budget. The lead entity is the Department of Finance.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities 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.

### Note

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for ASIO can be found at <https://www.asio.gov.au/corporate-plan.html>.

The most recent annual performance statement can be found at <https://www.asio.gov.au/asio-report-parliament-2015-16.html>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government**

### Budgeted expenses for Outcome 1

Table 2.1 shows how much ASIO intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and by departmental funding sources.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>Program 1.1: Security Intelligence</b>					
Departmental expenses					
Departmental appropriations	403,020	417,815	396,997	397,491	399,416
74 retained revenue receipts(a)	20,319	22,414	22,402	23,521	24,698
Expenses not requiring appropriation in the budget year(b)	77,405	84,848	92,449	96,227	100,145
<b>Total expenses for Outcome 1</b>	<b>500,744</b>	<b>525,077</b>	<b>511,848</b>	<b>517,239</b>	<b>524,259</b>

	2016–17	2017–18
<b>Average staffing level (number)</b>	1,772	1,835

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

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(b) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses and audit fees.

### Performance criteria for Outcome 1

Table 2.2 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

**Table 2.2: Performance criteria for Outcome 1**

<b>Outcome 1: To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government</b>		
<b>Program 1.1: Security Intelligence</b> ASIO operates a single program, 'Security Intelligence', which is focused on delivering Outcome 1.		
<b>Delivery</b>	Collecting, investigating and assessing intelligence on potential threats to Australia's security. Providing advice, reporting and services to Australian governments, government agencies and businesses, to assist them to effectively manage security risks and disrupt activities that threaten Australia's security.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets(a)</b>
2016–17	Effective advice, reporting and services that assist the Australian Government and ASIO's partners to manage security risks and disrupt activities that threaten Australia's security	ASIO's advice and reporting have directly supported the Australian Government's policy development and responses in relation to terrorism, espionage, foreign interference, unauthorised disclosures of sensitive information, foreign investment, protective security and legislative issues. <b>[Against target of ASIO's advice informs the Australian Government's response to security matters and supports related policy development.]</b>
		ASIO's advice and assessments have: <ul style="list-style-type: none"> <li>• been used by Australia's law enforcement agencies to disrupt terrorist attack planning in Australia</li> <li>• assisted Commonwealth, state and territory front-line security personnel to identify signs of radicalisation</li> <li>• directly informed partner decision-making around security arrangements for high office holders, visiting dignitaries, premises, events and critical infrastructure</li> <li>• increased awareness across government of espionage, foreign interference and malicious insider threats and measures to respond to them</li> <li>• been used by government agencies to support decision-making in relation to the granting of visas, access by individuals to sensitive sites or controlled materials, and government security clearances.</li> </ul> <b>[Against target of law enforcement, border and other national security partners use ASIO's advice to manage and disrupt security risks.]</b>
		In 2016–17, ASIO provided businesses with briefings, assessments and protective security advice, including through tailored briefing sessions for executives and corporate security managers. This included the frequent provision of advice to airlines to assist in the management of aviation security risks. ASIO's advice has supported business decisions in areas such as the physical security of premises and staff, processes to manage the insider threat, awareness of the offshore security environment and improved protection of IT infrastructure and data holdings. Businesses report being satisfied with their engagement with ASIO, which is primarily managed through ASIO's Business and Government Liaison Unit. <b>[Against target of business and industry adopt ASIO's security advice and are satisfied with their engagement.]</b>

**Table 2.2: Performance criteria for Outcome 1 (continued)**

Program 1.1: Security Intelligence (continued)		
Performance information		
Year	Performance criteria	Targets(a)
2017–18	Effective advice, reporting and services that assist the Australian Government and ASIO's partners to manage security risks and disrupt activities that threaten Australia's security	ASIO's advice informs the Australian Government's responses to security matters and supports related policy development. Law enforcement, border and other national security partners use ASIO's advice to manage and disrupt security risks. Business and industry adopt ASIO's security advice and are satisfied with their engagement.
2018–19 and beyond	Same as for 2017–18.	Same as for 2017–18.
<b>Purpose</b>	To protect the nation and its interests from threats to security through intelligence collection, assessment, and advice for Government, government agencies, and business.	

(a) Classified detail in relation to ASIO's performance is not provided in this document. ASIO's classified annual report to government provides this detail.

## Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

### 3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

### 3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Total expenses are estimated to be \$525.077m in 2017–18.

ASIO's estimated net asset position is \$344.507m in 2017–18, a decrease of \$2.592m from 2016–17. This is attributable to the regular depreciation and amortisation of assets.

ASIO is estimating capital outlays of \$78.852m in 2017–18, an increase of \$5.723m from 2016–17. This is in line with ASIO's asset replacement program.



### 3.3 BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	244,270	244,075	249,033	253,187	253,317
Suppliers	179,209	196,294	170,506	167,965	170,797
Depreciation and amortisation	77,265	84,708	92,309	96,087	100,145
<b>Total expenses</b>	<b>500,744</b>	<b>525,077</b>	<b>511,848</b>	<b>517,239</b>	<b>524,259</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	17,275	19,218	19,046	19,998	20,998
Rental income	3,044	3,196	3,356	3,523	3,700
<b>Total own-source revenue</b>	<b>20,319</b>	<b>22,414</b>	<b>22,402</b>	<b>23,521</b>	<b>24,698</b>
<b>Gains</b>					
Other	140	140	140	140	–
<b>Total gains</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>–</b>
<b>Total own-source income</b>	<b>20,459</b>	<b>22,554</b>	<b>22,542</b>	<b>23,661</b>	<b>24,698</b>
<b>Net (cost of)/contribution by services</b>	<b>(480,285)</b>	<b>(502,523)</b>	<b>(489,306)</b>	<b>(493,578)</b>	<b>(499,561)</b>
Revenue from government	403,020	417,815	396,997	397,491	399,416
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(77,265)</b>	<b>(84,708)</b>	<b>(92,309)</b>	<b>(96,087)</b>	<b>(100,145)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(77,265)</b>	<b>(84,708)</b>	<b>(92,309)</b>	<b>(96,087)</b>	<b>(100,145)</b>

**Note: Impact of net cash appropriation arrangements**

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	–	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations	77,265	84,708	92,309	96,087	100,145
<b>Total comprehensive income/(loss) as per the statement of comprehensive income</b>	<b>(77,265)</b>	<b>(84,708)</b>	<b>(92,309)</b>	<b>(96,087)</b>	<b>(100,145)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	10,851	10,809	9,726	12,006	10,993
Trade and other receivables	71,129	71,402	71,586	65,653	65,445
Other financial assets	872	916	962	1,010	1,060
<b>Total financial assets</b>	<b>82,852</b>	<b>83,127</b>	<b>82,274</b>	<b>78,669</b>	<b>77,498</b>
<b>Non-financial assets</b>					
Land and buildings	161,696	144,514	127,332	110,150	92,968
Property, plant and equipment	143,007	151,615	153,853	120,827	123,892
Intangibles	48,944	51,662	59,785	58,548	17,378
Other non-financial assets	18,696	19,252	21,842	21,335	22,335
<b>Total non-financial assets</b>	<b>372,343</b>	<b>367,043</b>	<b>362,812</b>	<b>310,860</b>	<b>256,573</b>
<b>Total assets</b>	<b>455,195</b>	<b>450,170</b>	<b>445,086</b>	<b>389,529</b>	<b>334,071</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	19,030	18,085	19,790	16,380	16,918
Other payables	8,280	6,680	5,080	3,480	1,880
<b>Total payables</b>	<b>27,310</b>	<b>24,765</b>	<b>24,870</b>	<b>19,860</b>	<b>18,798</b>
<b>Interest-bearing liabilities</b>					
Lease incentives	215	–	–	–	–
<b>Total interest-bearing liabilities</b>	<b>215</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Provisions</b>					
Employee provisions	76,697	77,198	78,996	80,053	81,096
Other provisions	3,874	3,700	3,534	3,375	3,223
<b>Total provisions</b>	<b>80,571</b>	<b>80,898</b>	<b>82,530</b>	<b>83,428</b>	<b>84,319</b>
<b>Total liabilities</b>	<b>108,096</b>	<b>105,663</b>	<b>107,400</b>	<b>103,288</b>	<b>103,117</b>
<b>Net assets</b>	<b>347,099</b>	<b>344,507</b>	<b>337,686</b>	<b>286,241</b>	<b>230,954</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	668,644	750,760	836,248	880,890	925,748
Reserves	33,046	33,046	33,046	33,046	33,046
Retained surplus/(accumulated deficit)	(354,591)	(439,299)	(531,608)	(627,695)	(727,840)
<b>Total parent entity interest</b>	<b>347,099</b>	<b>344,507</b>	<b>337,686</b>	<b>286,241</b>	<b>230,954</b>
<b>Total equity</b>	<b>347,099</b>	<b>344,507</b>	<b>337,686</b>	<b>286,241</b>	<b>230,954</b>

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2017</b>				
Balance carried forward from previous period	(354,591)	33,046	668,644	347,099
Adjustment for changes in accounting policies	–	–	–	–
<b>Adjusted opening balance</b>	<b>(354,591)</b>	<b>33,046</b>	<b>668,644</b>	<b>347,099</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	(84,708)	–	–	(84,708)
<b>Total comprehensive income</b>	<b>(84,708)</b>	<b>–</b>	<b>–</b>	<b>(84,708)</b>
<b>Transactions with owners</b>				
Contributions by owners				
Equity injection—appropriation	–	–	13,541	13,541
Departmental capital budget	–	–	68,575	68,575
<b>Sub-total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>82,116</b>	<b>82,116</b>
<b>Estimated closing balance as at 30 June 2018</b>	<b>(439,299)</b>	<b>33,046</b>	<b>750,760</b>	<b>344,507</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(439,299)</b>	<b>33,046</b>	<b>750,760</b>	<b>344,507</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	424,323	417,716	396,914	403,618	399,857
Sale of goods and rendering of services	19,965	22,225	22,204	23,313	24,479
Net GST received	17,918	16,286	15,443	15,131	15,358
Other	1,376	1,556	1,554	1,552	1,550
<b>Total cash received</b>	<b>463,582</b>	<b>457,783</b>	<b>436,115</b>	<b>443,614</b>	<b>441,244</b>
<b>Cash used</b>					
Employees	241,941	243,574	247,235	252,130	252,274
Suppliers	179,366	198,324	171,697	171,167	171,411
s 74 retained revenue receipts transferred to Official Public Account	22,923	19,191	18,266	18,037	18,572
<b>Total cash used</b>	<b>444,230</b>	<b>461,089</b>	<b>437,198</b>	<b>441,334</b>	<b>442,257</b>
<b>Net cash from/(used by) operating activities</b>	<b>19,352</b>	<b>(3,306)</b>	<b>(1,083)</b>	<b>2,280</b>	<b>(1,013)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	73,129	78,852	85,488	44,642	44,858
<b>Total cash used</b>	<b>73,129</b>	<b>78,852</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>Net cash from/(used by) investing activities</b>	<b>(73,129)</b>	<b>(78,852)</b>	<b>(85,488)</b>	<b>(44,642)</b>	<b>(44,858)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	42,195	82,116	85,488	44,642	44,858
<b>Total cash received</b>	<b>42,195</b>	<b>82,116</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>Net cash from/(used by) financing activities</b>	<b>42,195</b>	<b>82,116</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>Net increase/(decrease) in cash held</b>	<b>(11,582)</b>	<b>(42)</b>	<b>(1,083)</b>	<b>2,280</b>	<b>(1,013)</b>
Cash and cash equivalents at the beginning of the reporting period	22,433	10,851	10,809	9,726	12,006
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>10,851</b>	<b>10,809</b>	<b>9,726</b>	<b>12,006</b>	<b>10,993</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget—Bill 1 (DCB)	28,092	68,575	85,488	44,642	44,858
Equity injections—Bill 2	14,103	13,541	–	–	–
<b>Total new capital appropriations</b>	<b>42,195</b>	<b>82,116</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>Provided for:</b>					
Purchase of non-financial assets	42,195	82,116	85,488	44,642	44,858
<b>Total items</b>	<b>42,195</b>	<b>82,116</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations(a)	14,103	13,541	–	–	–
Funded by capital appropriation—DCB(b)	28,092	65,311	85,488	44,642	44,858
Funded internally from departmental resources(c)	30,934	–	–	–	–
<b>Total purchases of non-financial assets</b>	<b>73,129</b>	<b>78,852</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	73,129	78,852	85,488	44,642	44,858
<b>Total cash used to acquire assets</b>	<b>73,129</b>	<b>78,852</b>	<b>85,488</b>	<b>44,642</b>	<b>44,858</b>

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Includes both current Bill 2 and prior year Act 2, 4 and 6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.

(c) Includes funding from current Bill 1 and prior year Act 1, 3 and 5 appropriations (excluding amounts from the DCB), section 74 retained revenue receipts, and proceeds from the sale of assets.

**Table 3.6: Statement of asset movements (budget year 2017–18)**

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
<b>As at 1 July 2017</b>				
Gross book value	174,878	183,895	124,135	482,908
Accumulated depreciation/amortisation and impairment	(13,182)	(40,888)	(75,191)	(129,261)
<b>Opening net book balance</b>	<b>161,696</b>	<b>143,007</b>	<b>48,944</b>	<b>353,647</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase—appropriation equity(a)	–	6,192	7,349	13,541
By purchase—appropriation ordinary annual services(b)	–	48,799	16,512	65,311
<b>Total additions</b>	<b>–</b>	<b>54,991</b>	<b>23,861</b>	<b>78,852</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(17,182)	(46,383)	(21,143)	(84,708)
<b>Total other movements</b>	<b>(17,182)</b>	<b>(46,383)</b>	<b>(21,143)</b>	<b>(84,708)</b>
<b>As at 30 June 2018</b>				
Gross book value	174,878	238,886	147,996	561,760
Accumulated depreciation/amortisation and impairment	(30,364)	(87,271)	(96,334)	(213,969)
<b>Closing net book balance</b>	<b>144,514</b>	<b>151,615</b>	<b>51,662</b>	<b>347,791</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2017–18.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.