

BIOSECURITY AUSTRALIA

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BIOSECURITY AUSTRALIA

Section 1: Overview

Biosecurity Australia (BA) was established on 1 December 2004 as a prescribed agency under the *Financial Management and Accountability Act 1997* to further boost the independence of its operations and ensure appropriate financial autonomy.

Biosecurity Australia's Outcome is:

To provide science based quarantine assessments and policy advice that protects Australia's favourable pest and disease status and enhances Australia's access to international animal and plant related markets.

BA's science-based quarantine assessments and scientific/technical advice are based on the principles set by the government in its response to the 1997 report, *Australian quarantine: a shared responsibility* (the Nairn report).

In order to achieve its Outcome, BA aims to:

- contribute to biosecurity policy decisions through the provision of scientific and technical advice
- open, improve and maintain Australia's market access to international animal and plant-related markets through the provision of scientific and technical advice
- develop and review biosecurity policies and procedures that are consistent with expressed Australian Government policy
- have strategic involvement with international standard setting organisations including the Office International des Epizooties (OIE), the bodies established under the International Plant Protection Convention (IPPC) and the Codex Alimentarius Commission (Codex)

BA's quarantine assessments and policy advice are generally provided to the Director of Animal and Plant Quarantine and the Australian Quarantine and Inspection Service (AQIS).

1.1 SUMMARY OF AGENCY CONTRIBUTIONS TO OUTCOMES

The products and services delivered by Biosecurity Australia (outputs and administered policies, products and services) which contribute to the achievement BA's Outcome are summarised in Table 1.1.

Table 1.1: Contribution to Outcome

Outcome	Output
Outcome	
To provide science based quarantine assessments and policy advice that protects Australia's favourable pest and disease status and enhances Australia's access to international animal and plant related markets.	Provide science-based quarantine assessments and policy advice

Section 2: Resources for 2007–08

2.1 APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2007–08, including appropriations. The table summarises how resources will be applied by Outcome, administered and departmental classification.

The total appropriation for Biosecurity Australia in the 2007–08 Budget is \$21.222 million.

Table 2.1: Appropriations and other resources 2007–08 ('000)

Agriculture, Fisheries and Forestry Portfolio Agency Resourcing—2007–08					
Biosecurity Australia	Departmental				Total
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	
Outcome					\$'000
To provide science based quarantine assessments and policy advice that protects Australia's favourable pest and disease status and enhances Australia's access to international animal and plant related markets.	21,222	-	-	-	21,222
TOTAL	21,222	-	-	-	21,222

(a) Departmental and administered receipts from other sources (i.e. other than appropriation amounts) that are available to be used.

Notes:

1. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new administered expenses within new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans. 'New administered expenses within new outcomes' does not include revisions to existing outcomes (for example, following restructuring of outcomes) or revisions to outcomes following an AAO change where new administered items are not involved.
2. Refer to Budgeted Income Statement for application of agency revenue.

2.2 2007–08 BUDGET MEASURES

Budget measures relating to Biosecurity Australia as explained in Budget Paper No. 2 are summarised in Table 2.2. The table also identifies the relevant outcomes, administered items and outputs associated with each measure.

Table 2.2: Biosecurity Australia measures

Measure	Output groups affected	Appropriations budget			Appropriations forward estimate			Appropriations forward estimate			Appropriations forward estimate		
		2007–08			2008–09			2009–10			2010–11		
		\$'000			\$'000			\$'000			\$'000		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Expenses measure													
Import Risk Analysis – improving quarantine processes	1	-	2,631	2,631	-	2,721	2,721	-	2,776	2,776	-	2,834	2,834
Total expense measures		-	2,631	2,631	-	2,721	2,721	-	2,776	2,776	-	2,834	2,834

2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by BA for provision of goods or services. These resources are approved for use by BA and are included in Table 2.1.

Table 2.3: Other resources available to be used

	Estimated receipts 2006–07 \$'000	Budget estimate 2007–08 \$'000
Departmental resources		
Miscellaneous receipts	525	112
Total departmental other resources available to be used	525	112

Note: This table represents own source receipts available for spending on departmental purposes.

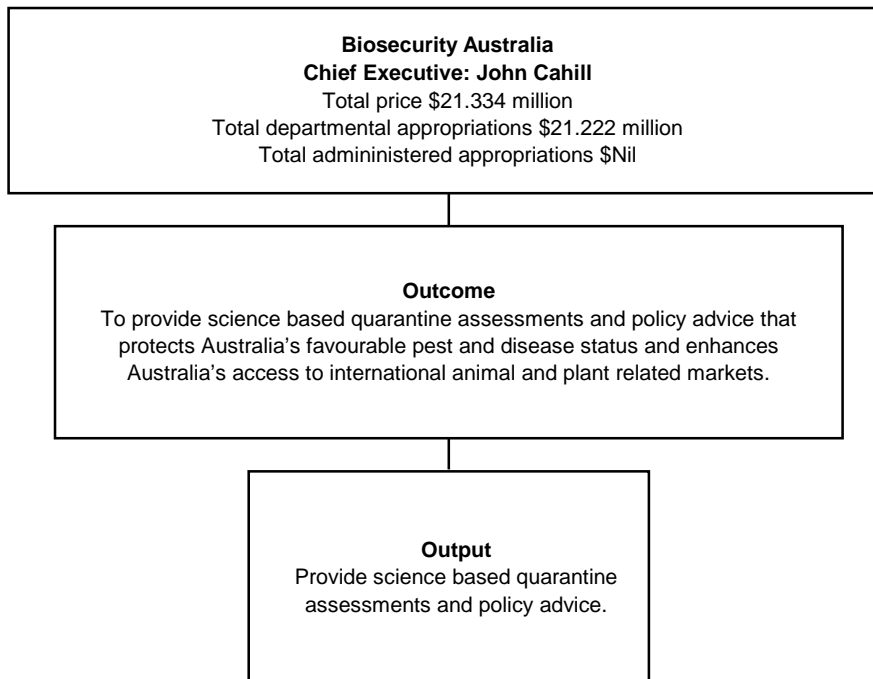
Section 3: Outcomes

This section summarises how the resources identified in Section 2 will be used to contribute to the single Outcome of Biosecurity Australia. Emphasis is placed on estimating the contribution to outcomes through administered items and outputs delivered by the agency. Key performance measures and performance evaluation activities are specified for each output. More detailed information on output and administered item attributes is maintained by agencies for internal management purposes.

3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The relationship between activities of Biosecurity Australia and the Outcome is summarised in Figure 1.

Figure 1: Contributions to Outcome



3.2 OUTCOME RESOURCES AND PERFORMANCE INFORMATION

3.2.1 Outcome 1 resourcing

Table 3.1 shows how the 2007–08 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1: Total resources for Outcome 1

	Estimated actual 2006–07 \$'000	Budget estimate 2007–08 \$'000
Departmental appropriations		
Output 1 – Provide science based quarantine assessments and policy advice	18,574	21,222
Total revenue from government (appropriations)	18,574	21,222
Contributing to price of departmental outputs		
Revenue from other sources		
Other	525	112
Total revenue from other sources	525	112
Total estimated resourcing for Outcomes (Total price of outputs and administered appropriations)	19,099	21,334
	2006–07	2007–08
Average staffing level (number)	121	132

3.2.2 Measures affecting Outcome 1

The above figure included \$2.631 million of new government funding for a budget measure on supporting an improved import risk analysis process.

3.2.3 Performance information for Outcome 1

Performance information for administered items, individual outputs and output groups relating to Biosecurity Australia are summarised in Table 3.2.

Table 3.2: Performance information for Outcome 1

Performance information for output	
Output	Performance information
Output 1	
Provide science based quarantine assessments and policy advice	<i>Quality:</i> <ul style="list-style-type: none"> • import risk assessments satisfactorily progressed • stakeholder views as reflected through surveys and other feedback
	<i>Quantity:</i> <ul style="list-style-type: none"> • number of risk assessments and AQIS referrals completed • number of technical market access issues progressed
	<i>Price:</i> \$21.2 million

3.2.5 Evaluations for Outcome 1

Further to the conditions of establishment of Biosecurity Australia as a prescribed agency, a review will be undertaken in the latter part of the 2007–08 financial year.

Section 4: Other reporting requirements

4.1 PURCHASER–PROVIDER ARRANGEMENTS

Agencies may need to provide resources to other general government sector bodies, for example in payment for services rendered or as part of cross-agency initiatives. Consequently, the sum of amounts in agency resourcing tables in Budget Paper No. 4, and in the resourcing tables in this document, will not equal total resourcing at the whole-of-government level (as reproduced in Budget Paper No. 1).

This section summarises significant transactions between general government sector agencies that are not consolidated or reported at the whole-of-government level.

4.1.1 Cross-agency overview

The Australian Government Department of Agriculture, Fisheries and Forestry provides management services to BA under a letter of agreement between the Secretary of the Department and the Chief Executive.

Responsibility

The provision of management services includes financial and accounting services, human resources, information technology, rental of premises and other office services.

Control arrangements

The provision of services is jointly managed between the chief finance officers of the two agencies and in accordance with BA's internal control framework, including its Chief Executive Instructions.

Resourcing

The cost of management services is agreed through the department's cost allocation methodology as part of its internal budget process.

Performance against outcomes of purchased outputs

The cost of management services forms a component of the overall cost of BA's Outcome.

4.2 COST RECOVERY ARRANGEMENTS

Biosecurity Australia does not have any cost recovery arrangements in place.

4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE

Biosecurity Australia has no Australian Government indigenous expenditure.

Section 5: Budgeted financial statements

5.1 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Biosecurity Australia is primarily funded through government appropriation and the agency expects to fully expend its budget for each financial year. The increase in funding for 2007-08 reflects additional funding through the 'Supporting an improved impact risk analysis process' measure.

Biosecurity Australia's expenditure in the intervening years is expected to remain stable so that cost increases such as pay rises will be met through improvements in productivity.

The budgeted balance sheet indicates the BA will have sufficient resources to meet its known liabilities as they fall due. The budgeted amount for receivables primarily reflects funds held on behalf of BA in the Official Public Account which is available to BA if needed under the government's 'just in time' cash drawdown arrangements.

5.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 5.1: Budgeted departmental income statement (for the period ended 30 June)

	Estimated actual 2006–07 \$'000	Budget estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
INCOME					
Revenue					
Revenues from government	18,574	21,222	21,260	21,838	20,582
Other	525	112	112	112	112
Total income	19,099	21,334	21,372	21,950	20,694
EXPENSE					
Employees	11,696	12,797	12,538	12,980	12,296
Suppliers	7,230	8,465	8,799	8,940	8,373
Depreciation and amortisation	173	72	35	30	25
Total expenses	19,099	21,334	21,372	21,950	20,694
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-

Table 5.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2006–07 \$'000	Budget estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
ASSETS					
Financial assets					
Cash and equivalents	137	136	136	23	136
Trade and other receivables	6,330	7,019	7,667	7,183	10,546
Total financial assets	6,467	7,155	7,803	7,206	10,682
Non-financial assets					
Land and buildings	43	8	8	8	8
Infrastructure, plant and equipment	213	213	213	218	316
Intangibles	2	-	-	-	-
Total non-financial assets	258	221	221	226	324
Total assets	6,725	7,376	8,024	7,432	11,006
LIABILITIES					
Provisions					
Employees	2,952	3,183	3,378	2,677	4,545
Total provisions	2,952	3,183	3,378	2,677	4,545
Payables					
Suppliers	1,874	1,809	1,777	1,401	1,693
Total payables	1,874	1,809	1,777	1,401	1,693
Total liabilities	4,826	4,992	5,155	4,078	6,238
Net assets	1,899	2,384	2,869	3,354	4,768
EQUITY^a					
Parent entity interest					
Contributed equity	250	250	250	250	500
Reserves	(12)	(25)	(38)	(51)	(50)
Retained surpluses or accumulated deficits	1,661	2,159	2,657	3,155	4,318
Total equity	1,899	2,384	2,869	3,354	4,768
Current assets	6,467	7,155	7,803	7,206	10,682
Non-current assets	258	221	221	226	324
Current liabilities	2,993	3,015	3,057	2,416	3,416
Non-current liabilities	1,833	1,977	2,098	1,662	2,822

Table 5.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2006–07 \$'000	Budget estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	18,574	21,222	21,260	21,838	20,582
Other	214	205	240	320	2,458
Total cash received	18,788	21,427	21,500	22,158	23,040
Cash used					
Employees	11,455	13,028	12,733	12,950	14,164
Suppliers	7,323	8,400	8,767	9,316	8,665
Cash used - Other	-	-	-	-	-
Total cash used	18,778	21,428	21,500	22,266	22,829
Net cash from or (used by) operating activities	10	(1)	-	(108)	211
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	-	-	-	(5)	(98)
Total cash used	-	-	-	(5)	(98)
Net cash from or (used by) investing activities	-	-	-	(5)	(98)
FINANCING ACTIVITIES					
Net cash from or (used by) financing activities					
	-	-	-	-	-
Net increase or (decrease) in cash held					
	-	-	-	-	-
Cash at the beginning of the reporting period	127	137	136	136	23
Cash at the end of the reporting period	137	136	136	23	136

Table 5.4: Departmental statement of changes in equity — summary of movement (Budget year 2007–08)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2007					
Balance carried forward from previous period	1,661	(12)	-	250	1,899
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	1,661	(12)	-	250	1,899
Income and expense					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
Sub-total income and expense	-	-	-	-	-
Surplus (deficit) for the period	-	-	-	-	-
Total income and expenses recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Distribution to owners</i>					
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	498	(13)	-	-	485
Estimated closing balance as at 30 June 2008	2,159	(25)	-	250	2,384

Table 5.5: Departmental capital budget statement

	Estimated actual 2006–07 \$'000	Budget estimate 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by departmental resources	-	-	-	5	98
Total	-	-	-	5	98

Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007–08)

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2007					
Gross book value	-	262	336	5	603
Accumulated depreciation	-	(227)	(80)	(3)	(310)
Opening net book value	-	35	256	2	293
Additions:					
by purchase	-	-	-	-	-
Depreciation/amortisation expense	-	(27)	(43)	(2)	(72)
	-	-	-	-	-
As at 30 June 2008					
Gross book value	-	262	336	5	603
Accumulated depreciation	-	(254)	(123)	(5)	(382)
Estimated closing net book value	-	8	213	-	221