

## BIOSECURITY AUSTRALIA

### SECTION 1: AGENCY 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 is generally provided to the Director of Animal and Plant Quarantine and the Australian Quarantine and Inspection Service.

## **SECTION 2: AGENCY RESOURCES FOR 2006-07**

### **2.1: Appropriations and Other Resources**

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total appropriation for the agency in the 2006-07 Budget is \$18.6 million.

**Table 2.1: Appropriations and Other Resources 2006-07**

Outcome	Departmental				Total
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'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	18,574	-	-	-	18,574
<b>TOTAL</b>	<b>18,574</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,574</b>

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

(b) Includes new administered expenses and administered assets and liabilities.

Notes:

1. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

2. Refer to Budgeted Income Statement for application of agency revenue.

**2.2: 2006-07 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 Title	Output groups affected	Appropriations budget			Appropriations forward estimate 2007-08			Appropriations forward estimate 2008-09			Appropriations forward estimate 2009-10		
		2006-07 \$'000			2007-08 \$'000			2008-09 \$'000			2009-10 \$'000		
		Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
<b>Expenses Measures</b>													
Biosecurity - enhancing Australia's protection	1	-	1,500	1,500	-	1,500	1,500	-	1,500	1,500	-	1,500	1,500
<b>Total Expense Measures</b>		<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>

### 2.3: OTHER RESOURCES AVAILABLE TO BE USED

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

**Table 2.3: Other Resources Available to be Used<sup>1</sup>**

	Estimated resources 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Departmental resources</b>		
Permitted Seeds List Review	600	186
Miscellaneous receipts	385	26
<b>Total departmental other resources available to be used</b>	<b>985</b>	<b>212</b>

Notes:

1. This table replaces the former table 'Receipts from other sources'. It represents own source receipts available for spending on departmental purposes.

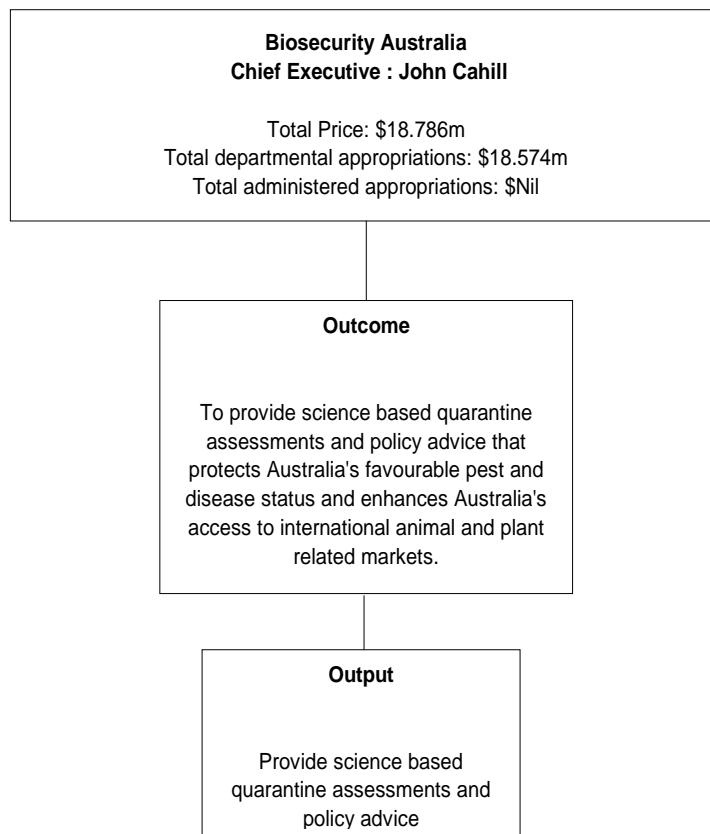
## SECTION 3: OUTCOMES

General government sector (GGS) agencies are required to plan, budget and report under an Outcomes structure. GGS agencies produce Outputs (departmental items) and also administer activities and programmes on behalf of the Government (administered items). This section explains how the resources identified in Section 2 will be used to deliver Outputs and administered items to contribute to the Outcome for Biosecurity Australia.

Each agency will publish an expanded description of the strategy contained in the agency overview, relating resources to outcomes, administered items and Outputs, as well as key performance information such as targets/indicators.

### 3.1: Summary of Outcome and Contribution to Outcome

Figure 1: Contributions to Outcomes



*Agency Budget Statements – Outcomes – BA*

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing for the outcome, including revenue from government (appropriation), revenue from other sources, and the total price of Outputs.

**3.2: Outcomes - Departmental and Administered**

**Table 3.1: Total Resources for Outcome**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000
<b>Departmental appropriations</b>		
Output 1 - Provide science based quarantine assessments and policy advice	17,090	18,574
<b>Total revenue from government (appropriations) Contributing to price of departmental outputs</b>	17,090	18,574
<b>Other resources available to be used</b>		
Other	985	212
<b>Total revenue from other sources</b>	985	212
<b>Total estimated resourcing for outcome</b> (Total price of outputs and administered appropriations)	18,075	18,786
	2005-06	2006-07
<b>Average staffing level (ASL)</b>	103	113

**3.3: Outcome and Performance**

**Table 3.2: Performance Information**

Performance indicators for output	Performance indicator
Provide science based quarantine assessments and policy advice	<p><b>Quality</b></p> <p>Import risk assessments satisfactorily progressed</p> <p>Stakeholder views as reflected through surveys and other feedback</p>
	<p><b>Quantity</b></p> <p>Number of risk assessments and AQIS referrals completed</p> <p>Number of technical market access issues progressed</p>
	<p><b>Price</b></p> <p>\$18.6 million</p>

**Evaluations**

There are no planned evaluations for BA in 2006-07.

## **SECTION 4: OTHER REPORTING REQUIREMENTS**

### **4.1: Purchaser-Provider Arrangements**

Agencies may need to provide resources to other General Government Sector (GGS) 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 GGS agencies that are not consolidated or reported at the whole of government level.

#### **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 the BA outcome.

### **4.2: Cost Recovery Arrangements**

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

### **4.3: Australian Government Indigenous Expenditure (AGIE)**

Biosecurity Australia does not have any 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 2006-07 reflects additional funding through the 'Enhancing Australia's Biosecurity Protection' measure whilst the reduction in 2009-10 reflects the lapsing of the 'Ongoing quarantine funding for Biosecurity Australia' measure provided through the 2005-06 Budget.

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 that 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 Governments 'just in time' cash drawdown arrangements.

Capital expenditure in 2005-06 primarily reflects the construction of office fitout and purchase of furniture following the establishment of the prescribed Agency. The reduction in the land and buildings asset to zero in 2007-08 reflects the accelerated depreciation of this office fitout following the decision to accompany the Department's move to new premises around October 2007. Funding arrangements for office fitout in the new premises are currently under consideration.

## 5.2: Budgeted Financial Statements Tables

**Table 5.1: Budgeted Departmental Income Statement for the Period Ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	17,090	18,574	18,573	18,557	10,224
Other	985	212	112	112	112
<b>Total income</b>	<b>18,075</b>	<b>18,786</b>	<b>18,685</b>	<b>18,669</b>	<b>10,336</b>
<b>EXPENSE</b>					
Employees	9,748	10,322	10,357	10,356	5,776
Suppliers	8,182	8,299	8,256	8,278	4,530
Depreciation and amortisation	145	165	72	35	30
<b>Total expenses</b>	<b>18,075</b>	<b>18,786</b>	<b>18,685</b>	<b>18,669</b>	<b>10,336</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.2: Budgeted Departmental Balance Sheet as at 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	243	253	252	252	139
Receivables	3,796	3,964	4,041	4,081	3,501
<b>Total financial assets</b>	<b>4,039</b>	<b>4,217</b>	<b>4,293</b>	<b>4,333</b>	<b>3,640</b>
<b>Non-financial assets</b>					
Land and buildings	158	35	-	-	-
Infrastructure, plant and equipment	193	163	138	113	93
Intangibles	4	2	-	-	-
<b>Total non-financial assets</b>	<b>355</b>	<b>200</b>	<b>138</b>	<b>113</b>	<b>93</b>
<b>Total assets</b>	<b>4,394</b>	<b>4,417</b>	<b>4,431</b>	<b>4,446</b>	<b>3,733</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	2,685	2,699	2,715	2,727	2,372
<b>Total provisions</b>	<b>2,685</b>	<b>2,699</b>	<b>2,715</b>	<b>2,727</b>	<b>2,372</b>
<b>Payables</b>					
Suppliers	780	789	787	790	432
<b>Total payables</b>	<b>780</b>	<b>789</b>	<b>787</b>	<b>790</b>	<b>432</b>
<b>Total liabilities</b>	<b>3,465</b>	<b>3,488</b>	<b>3,502</b>	<b>3,517</b>	<b>2,804</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	250	250	250	250	250
Reserves	14	14	14	14	14
Retained surpluses or accumulated deficits	665	665	665	665	665
<b>Total equity</b>	<b>929</b>	<b>929</b>	<b>929</b>	<b>929</b>	<b>929</b>
<b>Current assets</b>	<b>4,039</b>	<b>4,217</b>	<b>4,293</b>	<b>4,333</b>	<b>3,640</b>
<b>Non-current assets</b>	<b>355</b>	<b>200</b>	<b>138</b>	<b>113</b>	<b>93</b>
<b>Current liabilities</b>	<b>1,427</b>	<b>1,437</b>	<b>1,435</b>	<b>1,221</b>	<b>432</b>
<b>Non-current liabilities</b>	<b>2,038</b>	<b>2,051</b>	<b>2,067</b>	<b>2,296</b>	<b>2,372</b>

Note: 'equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted Departmental Statement of Cash Flows for the Period Ended 30 June**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	17,090	18,574	18,573	18,557	10,224
Other	2,445	46	37	72	692
<b>Total cash received</b>	<b>19,535</b>	<b>18,620</b>	<b>18,610</b>	<b>18,629</b>	<b>10,916</b>
<b>Cash used</b>					
Employees	9,891	10,309	10,343	10,345	6,131
Suppliers	9,362	8,291	8,258	8,274	4,888
<b>Total cash used</b>	<b>19,253</b>	<b>18,600</b>	<b>18,601</b>	<b>18,619</b>	<b>11,019</b>
<b>Net cash from or (used by) operating activities</b>	<b>282</b>	<b>20</b>	<b>9</b>	<b>10</b>	<b>(103)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	30	-	-	-	-
<b>Total cash received</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	431	10	10	10	10
<b>Total cash used</b>	<b>431</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Net cash from or (used by) investing activities</b>	<b>(401)</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>(119)</b>	<b>10</b>	<b>(1)</b>	<b>-</b>	<b>(113)</b>
Cash at the beginning of the reporting period	362	243	253	252	252
<b>Cash at the end of the reporting period</b>	<b>243</b>	<b>253</b>	<b>252</b>	<b>252</b>	<b>139</b>

**Table 5.4: Departmental Statement of Changes in Equity — Summary of Movement (Budget 2006-07)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2006</b>					
Balance carried forward from previous period	665	14	-	250	929
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	665	14	-	250	929
<b>Income and expense</b>					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Sub-total income and expense</b>	-	-	-	-	-
Net operating result	-	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Transactions with owners</b>					
Distribution to owners	-	-	-	-	-
<b>Sub-total transactions with owners</b>	-	-	-	-	-
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2007</b>	665	14	-	250	929

**Table 5.5: Departmental Capital Budget Statement**

	Estimated actual 2005-06 \$'000	Budget estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by Departmental resources	431	10	10	10	10
<b>Total</b>	<b>431</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>

**Table 5.6: Departmental Property, Plant, Equipment and Intangibles - Summary of Movement (Budget Year 2006-07)**

	Land \$'000	Buildings \$'000	Other infrastructure plant and equipment \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2006</b>					
Gross book value	-	262	233	5	500
Accumulated depreciation	-	(104)	(40)	(1)	(145)
<b>Opening net book value</b>	<b>-</b>	<b>158</b>	<b>193</b>	<b>4</b>	<b>355</b>
Additions:					
by purchase	-	-	10	-	10
Depreciation/amortisation expense	-	(123)	(40)	(2)	(165)
	-	35	163	2	200
<b>As at 30 June 2007</b>					
Gross book value	-	262	243	5	510
Accumulated depreciation	-	(227)	(80)	(3)	(310)
<b>Estimated closing net book value</b>	<b>-</b>	<b>35</b>	<b>163</b>	<b>2</b>	<b>200</b>