

**AUSTRALIAN SPORTS DRUG
AGENCY**

AUSTRALIAN SPORTS DRUG AGENCY

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Australian Sports Drug Agency (ASDA) was established by the Australian Sports Drug Agency Act 1990 to deal with the problem of drug use in sport.

ASDA's mission is to deter the use of banned doping practices in sport through education, testing, advocacy services, and co-ordination of Australia's anti-doping program. ASDA's programs are directed at athletes, coaches, sport science and medical personnel, and sports administrators. The Agency is active within Australia and internationally in the anti-doping field. It acts in partnership with the Australian government and non-government sports sector to protect the value of sport.

APPROPRIATIONS AND RESOURCING

The total appropriation for the ASDA in the 2004-05 Budget is \$6.102m

Table 1.1, on the following page, shows the total appropriation for ASDA for 2004-2005 by way of the Government outcome, administered expenses and price of output appropriation. ASDA has no administered appropriations.

MEASURES - SUMMARY

Table 1.2: Summary of measures disclosed in the 2004-05 Budget

Measure	Outcome	Output affected	2004-05 Appropriations budget (\$'000)		2005-06 Appropriations forward estimate (\$'000)		2006-07 Appropriations forward estimate (\$'000)		2007-08 Appropriations forward estimate (\$'000)	
			Admin	Dept	Admin	Dept	Admin	Dept	Admin	Dept
Melbourne 2006 Commonwealth Games - contribution	1	1.1	-	-	-	347	-	-	-	-
						347				

REVENUE FROM INDEPENDENT SOURCES
Table 1.3: Revenue from independent sources

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
Departmental revenues		
Sales of Goods and Services	2,535	1,619
Revenues from other sources	30	20
Total estimated revenue	2,565	1,639

Section 2: Outcomes and outputs information

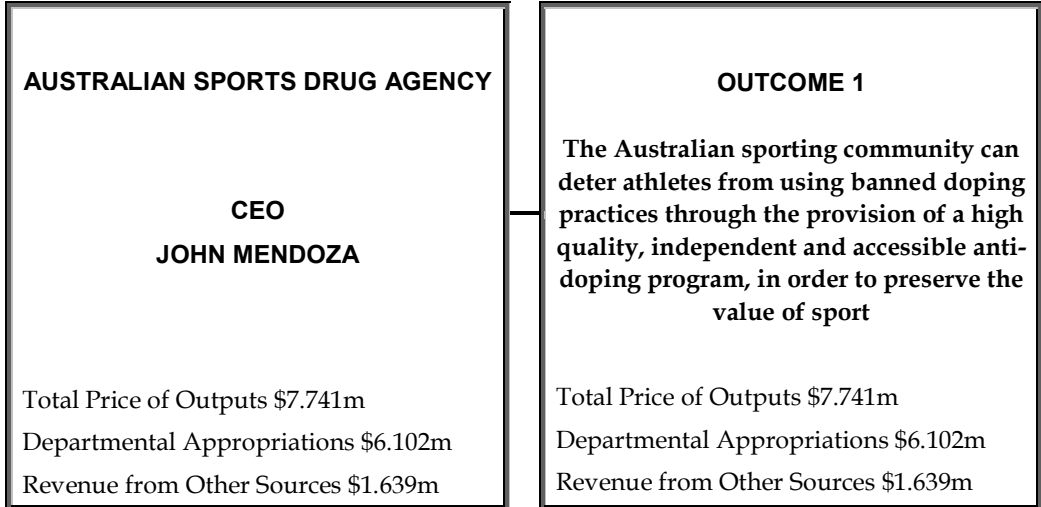
OUTCOMES AND OUTPUT GROUPS

The ASDA works to achieve the outcomes specified by Government. The following section provides an agency overview, and then each outcome is discussed in turn. The map on the following page shows the relationship between the outcomes.

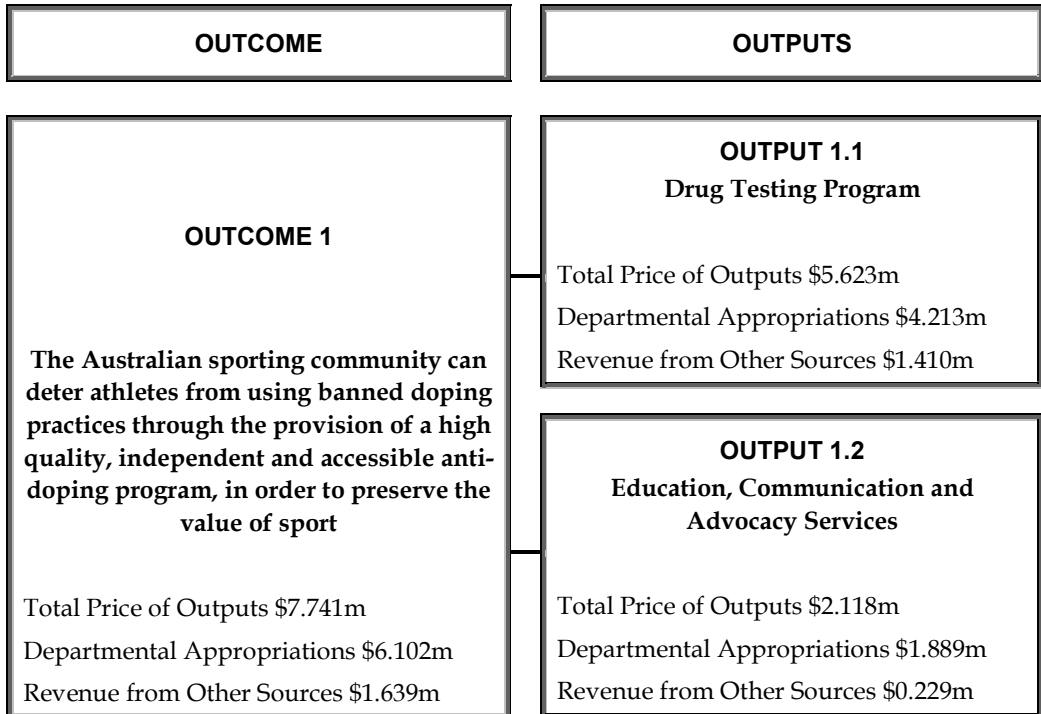
Output cost attribution

In 2001-02, ASDA undertook a comprehensive review of the costing of its services. This resulted in a model identifying the direct and indirect costs attributable to the conduct of a drug testing program and the delivery of education, communication and advocacy services. This data has been applied in determining the cost of ASDA's outputs.

Map 1: Outcome structure



Map 2.1: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 78.80% to the Total Price of Outputs for Outcome 1.

CHANGES TO OUTCOMES AND OUTPUTS

There have been no changes to ASDA’s Outcome and Output structure for 2004-05.

OUTCOME 1 — DESCRIPTION

The Australian sporting community can deter athletes from using banned doping practices through the provision of a high quality, independent and accessible anti-doping program, in order to preserve the value of sport.

The value of sport to all members of the community is diminished when banned doping practices are employed by athletes. Such practices are contrary to the rules of sport and the ethos of good sportsmanship. To deter athletes from using banned doping practices, ASDA provides a comprehensive anti-doping program for the Australian sports community. Deterrence is achieved through the coordinated implementation of a program of drug testing, education, communication and advocacy services.

Measures affecting Outcome 1¹

Melbourne 2006 Commonwealth Games - contribution

Expense (\$m)	2004-05	2005-06	2006-07	2007-08
All agencies	8.0	90.3	1.3	-
<i>Related Capital</i>				
All agencies	0.1	0.1	-	-
<i>Related Revenue</i>				
All agencies	-	-1.4	-	-

(a) A negative number for revenue indicates a decrease in the fiscal balance.

The Government will provide a package of assistance totalling \$272.5 million over four years from 2003-04 to 2006-07 to contribute to the staging of the Melbourne Commonwealth Games (M2006) to be held from 15-26 March 2006.

The assistance package includes \$139.8 million (including \$40 million in 2003-04) in new funding over the four years as a contribution to meeting the costs of the Games. The Government will also provide \$132.7 million in services and support which will be absorbed within existing resources.

¹ This relates to measures disclosed in the 2004-05 Budget context (that is, measures agreed since the *Mid-Year Economic and Fiscal Outlook* (MYEFO)).

Funding includes a grant of \$102.9 million to the Victorian Government for specific M2006 initiatives. These include \$40 million for the Opening and Closing Ceremonies, \$15 million for the Queen's Baton Relay, \$18.2 million for the M2006 Volunteer Programme, \$10 million for the Elite Athletes with a Disability Programme, \$7.5 million to provide airfare subsidies for athletes from developing countries participating in M2006, and \$6 million towards the costs of the M2006 Cultural Programme.

Funding of \$84.8 million will be provided over three years to provide security services and support to ensure a safe and secure M2006. Of this, \$56.5 million will be funded from existing resources.

Funding of \$27.1 million (including capital of \$0.2 million) over three years will be provided for non-security related services associated with staging M2006, of which \$18.5 million will be provided from existing resources. Activities involved include pre-event drug testing of international athletes, sporting programmes for people with disabilities, provision of aviation safety information and increased trade and investment promotion activities.

The Australian Sports Commission will provide an estimated \$55.3 million in direct assistance for M2006 sports through existing programmes over two years from 2004-05. Significant indirect assistance is also provided to support athletes, coaches and support staff of M2006 sports.

Visa application costs will be waived for Commonwealth Games Family Members, resulting in revenue forgone of \$1.4 million. Exemptions from Income and Withholding Tax for the Commonwealth Games Federation, estimated at \$1 million, were recorded as a measure, *Income tax exemption for the Commonwealth Games Federation*, in the 2002-03 *Mid-Year Economic and Fiscal Outlook*.

Note: the Australian Sports Drug Agency will receive \$0.3 million in 2005-06 to conduct pre-event testing on international athletes.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004-05 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. Cell references **C1** and **E1** show the links back to Table 1.1.

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	
Departmental appropriations			
Output 1.1 - Drug Testing Program	4,165	4,213	
Output 1.2 - Education, Communication and Advocacy Services	1,872	1,889	
Total revenue from government (appropriations)	6,037	6,102	(C1)
<i>Contributing to price of departmental outputs</i>	70.18%	78.83%	
Revenue from other sources			
Output 1.1 - Drug Testing Program	2,052	1,410	
Output 1.2 - Education, Communication and Advocacy Services	513	229	
Total revenue from other sources	2,565	1,639	
Total price from departmental outputs			
<i>(Total revenue from government and from other sources)</i>	8,602	7,741	(E1)
	2003-04	2004-05	
Average staffing level (number)	43	38	

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

ASDA's outputs of a drug testing program and education, communication and advocacy services reflect the comprehensive approach of the Government to deter banned doping practices. Delivery of these outputs in close partnership with the Australian sports community reflects the Government's decision to support the sports community in dealing with drug use in sport.

The drug testing program output will act as a deterrent to athletes contemplating doping but the impact of this output is significantly enhanced through the provision of education, information, policy administration and advocacy services. The drug testing program output impacts on elite athletes directly. All members of the sports community including young athletes, coaches and administrators are influenced through the preventative focus of ASDA's services.

The education, communication and advocacy output supports the drug testing program by ensuring all members of the sporting community are aware of their rights and obligations in relation to drugs in sport. This output ensures athletes and others are informed of the dangers of using drugs in sport and are further deterred from engaging in behaviours which are contrary to the concept of fair play. Furthermore, this output ensures there is an ongoing move towards consistent policy and procedures both domestically and overseas.

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1, lists the performance information that ASDA will use to assess the level of its achievement of Outcome 1 during the 2004-05 financial year. The table shows the efficiency of the outputs contributing to Outcome 1. Information shown is both quantitative and qualitative.

Table 2.2.1: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome	
The Australian sporting community can deter athletes from using banned doping practices through the provision of a high quality, independent and accessible anti-doping program, in order to preserve the value of sport.	
Performance Information for Departmental Items under Outcome 1	
Athletes perceive a deterrent effect from ASDA programs.	
External Client satisfaction with all ASDA services.	
Retention of user-pays clients.	
Performance Information for Departmental Output 1.1	
Drug Testing Program	<p>Quality 90% of athlete tests conducted within the test distribution plan. 90% athletes perceive a deterrent effect from ASDA programs.</p> <p>Quantity 5,300 tests comprising urine and blood tests (incl. 3,800 Government funded tests and 1500 user-pay tests).</p> <p>Price \$5.623m</p>
Performance Information for Departmental Output 1.2	
Education, Communication and Advocacy Services	<p>Quality Client access to ASDA's services (incl. Hotline calls, publications, web site hits). Obligations under international agreements met.</p> <p>Quantity 80% of clients are satisfied with ASDA's education products. Provision of services to clients.</p> <p>Price \$2.118m</p>

EVALUATIONS

Performance information for 2004-05 will align with the key performance indicators prescribed in ASDA's 2001-2005 Strategic Plan. An evaluation of achievement against these indicators and targets will be provided in the Annual Report.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

ASDA is budgeting for a small operating surplus of \$0.001m in 2004-05. Revenue from Government is consistent as in the previous years with an increase in 2005-06 due to the Melbourne Commonwealth Games.

Sale of goods and services demonstrates a downward trend for 2004-05 due to the winding up of the Drug Free Sports Consortium (DFSC) of which ASDA was a member. The recently established World Anti Doping Authority has undertaken these consultancy services.

The total equity position of ASDA is budgeted to remain consistent for 2004-05. The level is to remain at \$0.652m which is adequate for Agency purposes.

BUDGETED FINANCIAL STATEMENTS

Departmental financial statements

Budgeted Departmental Statement of Financial Performance (Operating Statement)

This statement provides a picture of the expected financial results for the ASDA by identifying full accrual expenses and, accrual revenues which highlights whether the ASDA is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position (Balance Sheet)

This statement shows the financial position of the ASDA. It helps decision-makers to track the management of the ASDA's assets and liabilities.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental Capital Budget Statements

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

Departmental Non Financial Assets — Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

**Table 3.1: Budgeted departmental statement of financial performance
for the period ended 30 June**

	Actual 2003-04	Revised Budget 2004-05	Forward estimate 2005-06	Forward estimate 2006-07	Forward estimate 2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues from ordinary activities					
Revenue from Government	6,037	6,102	6,567	6,247	6,302
Goods and Services	2,535	1,619	2,940	1,719	1,782
Interest	25	15	15	15	15
Dividends	-	-	-	-	-
Revenue from sales of assets	1	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	4	5	5	5	5
Revenues from ordinary activities	8,602	7,741	9,527	7,986	8,104
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	3,400	3,125	3,824	3,229	3,291
Suppliers	5,011	4,475	5,573	4,622	4,671
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	170	130	120	125	132
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	10	10	10	10	10
Expenses from ordinary activities (excluding borrowing costs expense)	8,591	7,740	9,527	7,986	8,104
Borrowing cost expense	-	-	-	-	-
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Operating surplus or deficit from ordinary activities	11	1	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	11	1	-	-	-

Table 3.2: Departmental statement of financial position

**Table 3.2: Budget departmental statement of financial position
as at 30 June**

	Actual 2003-04	Revised Budget 2004-05	Forward estimate 2005-06	Forward estimate 2006-07	Forward estimate 2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash	1,285	1,395	1,367	1,418	1,436
Receivables	627	400	724	425	440
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	1,912	1,795	2,091	1,843	1,876
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	52	41	45	50	51
Heritage and cultural assets	-	-	-	-	-
Inventories	11	11	11	11	11
Intangibles	130	130	125	114	100
Other	12	12	12	12	12
Total non-financial assets	205	194	193	187	174
Total assets	2,117	1,989	2,284	2,030	2,050
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employees	748	688	841	710	724
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
Total provisions	748	688	841	710	724
Payables					
Suppliers	651	582	724	601	607
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	67	67	67	67	67
Total payables	718	649	791	668	674
Total liabilities	1,466	1,337	1,632	1,378	1,398

**Table 3.2: Budget departmental statement of financial position
as at 30 June (continued)**

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
EQUITY					
Parent equity interest					
Contributed equity	182	182	182	182	182
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	469	470	470	470	470
Total parent equity interest	651	652	652	652	652
Outside equity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total outside equity interest	-	-	-	-	-
Total equity	651	652	652	652	652
Current liabilities	1,036	942	1,149	970	982
Non-current liabilities	430	395	483	408	416
Current assets	1,935	1,818	2,114	1,866	1,899
Non-current assets	182	171	170	164	151

Table 3.3: Departmental statement of cash flows

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

	Actual 2003-04	Revised Budget 2004-05	Forward estimate 2005-06	Forward estimate 2006-07	Forward estimate 2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	6,037	6,102	6,567	6,247	6,302
Goods and services	2,467	1,842	2,612	2,014	1,763
Interest	15	15	15	15	15
Dividends	-	-	-	-	-
Other	9	9	9	9	9
Extraordinary Items	-	-	-	-	-
Total cash received	8,528	7,968	9,203	8,285	8,089
Cash used					
Employees	3,725	3,185	3,671	3,360	3,277
Suppliers	4,794	4,544	5,431	4,745	4,665
Grants and subsidies	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	10	10	10	10	10
Extraordinary items	-	-	-	-	-
Total cash used	8,529	7,739	9,112	8,115	7,952
Net cash from/(used by) operating activities	(1)	229	91	170	137
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	1	1	1	1	1
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	1	1	1	1	1
Cash used					
Purchase of property, plant and equipment	68	120	120	120	120
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	68	120	120	120	120
Net cash from/(used by) investing activities	(67)	(119)	(119)	(119)	(119)

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June (continued)**

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
FINANCIAL ACTIVITIES					
Cash received					
Appropriations - contributed equity	8	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	8	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	10	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	10	-	-	-	-
Net cash from/(used by) financing activities	(2)	-	-	-	-
Net increase in cash held	(70)	110	(28)	51	18
Cash at the beginning of the reporting period	1,355	1,285	1,395	1,367	1,418
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	1,285	1,395	1,367	1,418	1,436

Table 3.4: Departmental capital budget statement

Table 3.4: Departmental capital budget statement

	Actual 2003-04 \$'000	Revised Budget 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	8	-	-	-	-
Total loans	-	-	-	-	-
Total	8	-	-	-	-
Represented by					
Purchase of non-financial assets	8	-	-	-	-
Other	-	-	-	-	-
Total	8	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	8	-	-	-	-
Funded internally by departmental resources	60	120	120	120	120
Total	68	120	120	120	120

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004-05)

	Land \$'000	Buildings \$'000	Specialist military equipment \$'000	Other infrastructure plant and equipment \$'000	Heritage and cultural assets \$'000	Computer Software \$'000	Other intangibles \$'000	Total \$'000
Carrying amount at the start of year	-	-	-	52	-	130	-	182
Additions	-	-	-	-	-	120	-	120
Disposals	-	-	-	(1)	-	-	-	(1)
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	(10)	-	(120)	-	(130)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	41	-	130	-	171
Total additions	-	-	-	-	-	120	-	120
Self funded	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	120	-	120

NOTES TO THE FINANCIAL STATEMENTS

Departmental Financial Statements

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Appropriations in the accrual budgeting framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies,
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies,

Asset valuation

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

Cross Agency Overview

ASDA has a purchaser/provider arrangement with the Australian Government Analytical Laboratory's Australian Sports Drug Testing Laboratory (ASDTL). ASDTL is the only laboratory in Australia with International Olympic Committee (IOC) accreditation to conduct sample analysis for doping control in sport.

ASDTL provides analytical and scientific services to ASDA for its Output 1.1 Drug Testing Program.

Responsibility

ASDA reports on its output and outcome structure in Section 2 of this Agency Budget Statement. A full set of financial statements is in Section 3. ASDTL is part of the Australian Government Analytical Laboratories (AGAL). AGAL reports under the Department of Industry, Tourism and Resources Agency Budget Statement.

Control arrangements

ASDA is a statutory authority responsible, through its Board, to the Minister for Arts and Sport, Senator the Hon Rod Kemp. AGAL is responsible to the Minister for Industry, Tourism and Resources, the Hon Ian Macfarlane MP.

Resourcing

The purchase of services from ASDTL for doping control is resourced through ASDA's Output 1.1 with a budgeted price of \$5.623m for 2004-05 (see Table 2.1.1). Output 1.1 contributes to outcome 1: the Australian sporting community can deter athletes from using banned doping practices through the provision of a high quality, independent and accessible anti-doping program, in order to preserve the value of sport.

Performance against outcomes of purchased outputs

The performance information related to drug testing can be found in Table 2.2.1 under Output 1.1 Drug Testing Program.

COST RECOVERY ARRANGEMENTS

ASDA has no cost recovery arrangements.

