

**AUSTRALIAN GOVERNMENT
INFORMATION MANAGEMENT
OFFICE**

AUSTRALIAN GOVERNMENT INFORMATION MANAGEMENT OFFICE

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The objective of the Australian Government Information Management Office (AGIMO) is to provide strategic advice, activities and representation relating to the application of new and existing technologies to government administration, information and services. AGIMO achieves this by providing:

- leadership and management of projects that relate to information and communications technology and the Internet and that affect the whole of government or multiple agencies;
- provision of strategic advice on the key factors underpinning the application of information and communications technology to the design of government programmes and the delivery of government services;
- leadership in relation to the Australian Government's presence online and electronic-based service delivery; and
- coordination of the application of information and communications technology to government administration, information and service provision.

APPROPRIATIONS AND RESOURCING

The total appropriation for the AGIMO in the 2004-05 Budget is \$20.115m. Tables 1.1 and 2.1.1 on the following pages, show the total appropriations and resources for AGIMO.

Australian Government Information Management Office – appropriations 2004-05
Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs) ('000)				Annual appropriations (\$'000)	Special appropriations	Total administered appropriations	Total appropriations (\$'000)
	Revenue from Government (appropriations)	Revenue from other sources ⁽⁴⁾	Price of outputs ⁽³⁾	Special appropriations				
	Bill No. 1	Special apps	Total	Bill No. 1	Bill No. 2			
	(A)	(B)	(C = A+B)	(D) (E = C+D)	(F)	(G)	(H)	(J=C+I)
1. Effective and efficient use of information and communication technologies by the Australian Government	20,115	-	20,115	335	20,450	-	-	20,115
			(C ¹) ⁽¹⁾	(E ¹) ⁽¹⁾				
Total	20,115	-	20,115	335	20,450	-	-	20,115
					Departmental capital (equity injections)			
					Administered capital			
					Total appropriations			
								20,115

1. Cells C1 and E1 refer to information provided in Total Resources for Outcome tables.

2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), new agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.

3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.

4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are details in Table 1.3.

Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

REVENUE FROM INDEPENDENT SOURCES**Table 1.3: Revenue from independent sources**

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
Departmental revenues		
Goods and Services	1,653	220
Other	115	115
Total estimated revenue	1,768	335

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

In 2004-05, AGIMO will not receive any administered capital, departmental equity injections or departmental loans.

Section 2: Outcomes and outputs information

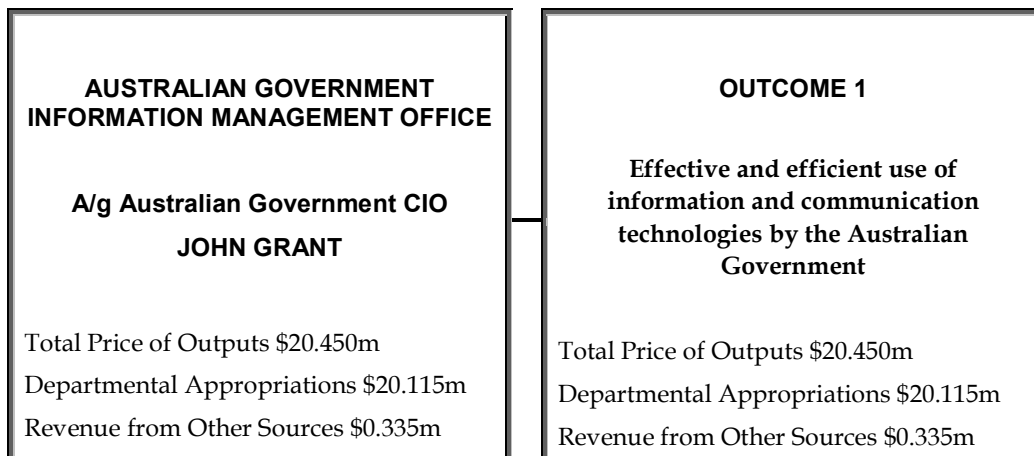
OUTCOMES AND OUTPUT GROUPS

The AGIMO works to achieving 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.

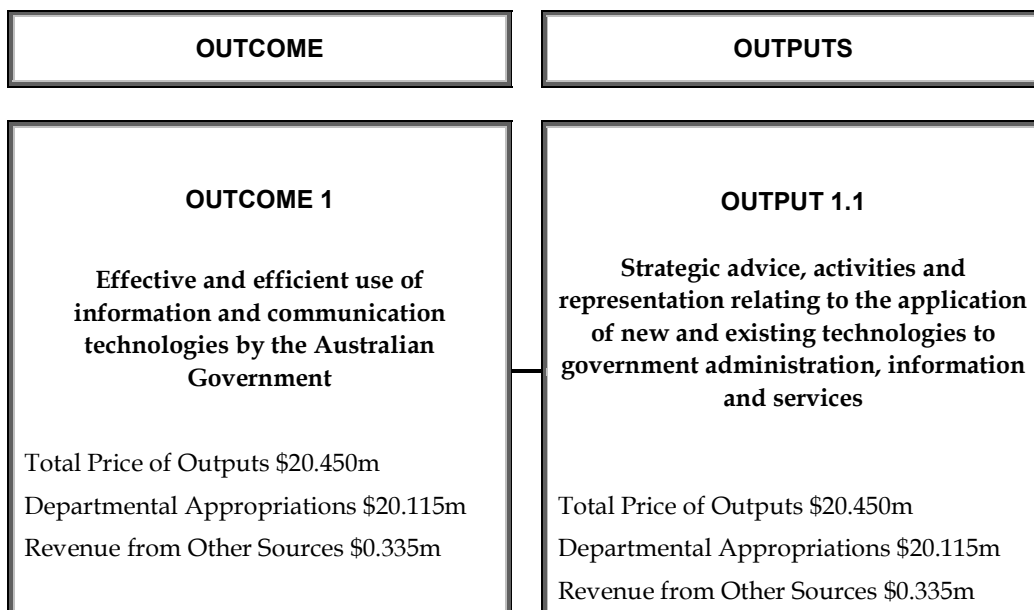
Output cost attribution

In determining AGIMO's full price, all relevant direct costs associated with the production of outputs were identified and directly attributed. Indirect overhead costs, including corporate services, are then allocated to outputs on a proportional basis, using the amount of direct costs for each output as a percentage of the total direct costs, as the allocation measure.

Map 1: Outcome structure



Map 2.1: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 98.36% to the Total Price of Outputs for Outcome 1.

CHANGES TO OUTCOMES AND OUTPUTS

As a result of the Administrative Arrangement Order dated 8 April 2004, the functions associated with the former Output 1.1 were transferred to the Department of Communications, Information and Technology and the Arts. The former Output 1.2 has now become Output 1.1.

The Outcome Statement has been revised to reflect the functions of AGIMO.

There have been no other changes.

OUTCOME 1 — DESCRIPTION

Effective and efficient use of information and communication technologies by the Australian Government

AGIMO fosters the efficient and effective use of ICT by Australian Government departments and agencies. It provides strategic advice, activities and representation relating to the application of ICT to government administration, information and services.

Measures affecting Outcome 1¹

Government procurement arrangements relating to the Australia-United States Free Trade Agreement

Expense (\$)	2004-05	2005-06	2006-07	2007-08
Department of Finance and Administration	5.9	6.8	5.5	6.0
Australian Government Information Management Office	-	-0.9	-0.9	-0.9
Total	5.9	5.9	4.6	5.1

The Government will provide additional funding of \$24.3 million over four years to implement policy and administrative changes to Australian Government procurement arrangements required by the pending Australia-United States Free Trade Agreement, which is expected to take effect from 1 January 2005.

This measure provides resources for the Department of Finance and Administration to set up and maintain a revised Australian Government procurement framework, including supporting systems, to incorporate the specific rules and procedures set out in the Government Procurement chapter of the Free Trade Agreement.

The Australian Government Information Management Office will return \$2.7 million over three years from 2005-06 to the budget as part of the transfer of its responsibilities for procurement information systems to the Department.

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)*).

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 (the Appropriations and Other Revenue Table for the AGIMO).

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	
Administered appropriations			
Information technology Online (ITOL) ¹	1,786	-	
Total administered appropriations	1,786	-	
Departmental appropriations			
Output 1.1 - Strategic advice, activities and representation relating to the application of new and existing technologies to government administration, information and services ¹	31,143	20,115	
Total revenue from government (appropriations)	31,143	20,115	
Contributing to price of departmental outputs	94.6%	98.4%	(C1)
Revenue from other sources			
Output 1.1 - Strategic advice, activities and representation relating to the application of new and existing technologies to government administration, information and services ¹	1,768	335	
Total revenue from other sources	1,768	335	
Total price from departmental outputs	32,911	20,450	
(Total revenue from government and from other sources)			(E1)
Total estimated resourcing for Outcome 1			
(Total price of outputs and administered appropriations)	34,697	20,450	
	2003-04	2004-05	
Average staffing level (number)	114	114	

1. As a result of the Administrative Arrangements Order of 8 April 2004, the functions associated with the former Output 1.1 were transferred to the Department of Communications, Information Technology and the Arts (DCITA). The former Output 1.2 became Output 1.1. Included in the balance of \$31.143m in Output 1.1 is \$9.533m relating to the functions of the former Output 1.1. The former Output 1.1 did not have any revenue from other sources. ITOL was also transferred to DCITA.

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

Output 1.1- Strategic advice, activities and representation relating to the application of new and existing technologies to government administration, information and services.

AGIMO facilitates consideration of and decisions on matters that affect the transformation of government through the application of ICT across several agencies or whole-of-government, to improve access to government and program outcomes. AGIMO enhances linkages between the business drivers and the application of new technologies that impact across agencies or the whole-of-government.

AGIMO's framework for e-government delivers both internal and external efficiencies and acts as an exemplar of innovation and reform in other areas of the public sector, business and by the community.

Table 2.2.1: Performance information for Outcome 1 & Evaluations

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome	
Extent to which the Australian Government uses new and existing ICT capabilities to improve efficiency and provide better services	<p>Quality Recognition of the Australian Government as an exemplary user of information tools and systems. Quality, timeliness and relevance of advice to Government provided by AGIMO. Extent to which the Australia Government is recognised as a leader in using and promoting Information and Communication Technology.</p> <p>Quantity Level of preparedness of e-gov infrastructure. Level of usage of government services online.</p>
Performance Information for Departmental Output 1.1	
Strategic advice, activities and representation relating to the application of new and existing technologies to government administration, information and services	<p>Quality An effective governance framework for the application of new technologies to government information, services and administration that affects multiple agencies or whole-of-government.</p> <p>Fostering transformation of government information and services through the provision of strategies, frameworks and approaches to enhance the links between business drivers and technology opportunities.</p> <p>Quantity Extent to which Australian Government agencies apply whole-of-government frameworks, information standards, principles, guidelines and tools.</p> <p>Price \$20.450m</p>

EVALUATIONS

Information on planned evaluation activity for the coming year that relates to this outcome is included in Table 2.2.1 and the results will be shown in the annual report.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Performance

AGIMO is budgeting for a nil operating result in 2004-05. The estimated actual operating loss for 2003-04 relates to the carry over of expenditure from 2002-03.

Total revenue for 2004-05 is estimated to be \$20.450m, a decrease of \$12.461m from the 2003-04 estimated actual. The decrease is primarily as a result of the funding impact as a result of the transfer of functions to DCITA, effective from 8 April 2004 (-\$12.495m)

Total expenses for 2004-05 are estimated to also be \$20.450m, a decrease of \$15.997m from 2003-04 estimated actual. The decrease is primarily as a result of the:

- reduction in expenses relating to the function transferred to DCITA (-\$12.495m), and
- payment of the carried forward expenses from 2002-03 in 2003-04 (-\$3.536m)

Statement of Financial position

AGIMO's budgeted net asset position for 2004-05 is \$1.221m, consistent with the 2003-04 estimated actual. This is consistent with the projected nil operating result.

Key movements in the budgeted assets and liabilities are directly associated with the transfer of functions to DCITA.

Administered

With the transfer of functions to DCITA, AGIMO will receive no Administered funding in 2004-05 or following years.

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 AGIMO by identifying full accrual expenses and accrual revenues which highlights whether the AGIMO is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position (Balance Sheet)

This statement shows the financial position of the AGIMO. It helps decision-makers to track the management of the AGIMO'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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
Revenues from ordinary activities					
Revenue from Government	31,143	20,115	19,515	20,061	20,277
Goods and Services	1,653	220	220	220	220
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	115	115	115	115	115
Revenues from ordinary activities	32,911	20,450	19,850	20,396	20,612
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	12,522	8,211	8,191	8,666	9,162
Suppliers	20,687	10,986	10,936	11,437	10,961
Grants	1,526	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	1,282	1,253	723	293	489
Write-down of assets	430	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	36,447	20,450	19,850	20,396	20,612
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	(3,536)	-	-	-	-
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	(3,536)	-	-	-	-

Table 3.2: Departmental statement of financial position

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
ASSETS					
Financial assets					
Cash	500	500	500	500	500
Receivables	3,310	2,476	2,267	2,037	2,367
Investments accounted for under the equity method	-	-	-	-	-
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	3,810	2,976	2,767	2,537	2,867
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	1,297	1,453	2,214	2,644	2,448
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	461	231	-	-	-
Other	93	50	49	52	49
Total non-financial assets	1,851	1,734	2,263	2,696	2,497
Total assets	5,661	4,710	5,030	5,233	5,364
LIABILITIES					
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employees	2,716	2,573	2,898	3,059	3,230
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
Total provisions	2,716	2,573	2,898	3,059	3,230
Payables					
Suppliers	1,724	916	911	953	913
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
Total payables	1,724	916	911	953	913
Total liabilities	4,440	3,489	3,809	4,012	4,143

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
EQUITY					
Parent equity interest					
Contributed equity	3,846	3,846	3,846	3,846	3,846
Reserves	24	24	24	24	24
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	(2,649)	(2,649)	(2,649)	(2,649)	(2,649)
Total parent equity interest	1,221	1,221	1,221	1,221	1,221
Outside equity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total outside equity interest	-	-	-	-	-
Total equity	1,221	1,221	1,221	1,221	1,221
Current liabilities	2,948	1,899	2,116	2,209	2,223
Non-current liabilities	1,492	1,590	1,693	1,803	1,920
Current assets	3,903	3,026	2,816	2,589	2,916
Non-current assets	1,758	1,684	2,214	2,644	2,448

Table 3.3: Departmental statement of cash flows

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	31,143	20,115	19,515	20,061	20,277
Goods and services	2,159	220	220	220	220
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other	1,416	1,053	323	345	119
Extraordinary Items	-	-	-	-	-
Total cash received	34,718	21,388	20,058	20,626	20,616
Cash used					
Employees	12,647	8,354	7,866	8,504	8,991
Suppliers	22,274	11,751	10,940	11,398	10,999
Grants and subsidies	1,526	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	334
Extraordinary items	-	-	-	-	-
Total cash used	36,447	20,105	18,806	19,902	20,324
Net cash from/(used by) operating activities	(1,729)	1,283	1,252	724	292
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	800	1,283	1,252	724	292
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	800	1,283	1,252	724	292
Net cash from/(used by) investing activities	(800)	(1,283)	(1,252)	(724)	(292)

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

	Estimated actual 2003-04 \$'000	Budget estimate 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	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	1,800	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	1,800	-	-	-	-
Cash used					
Repayments of debt	-	-	-	-	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	1,291	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	1,291	-	-	-	-
Net cash from/(used by) financing activities	509	-	-	-	-
Net increase in cash held	(2,020)	-	-	-	-
Cash at the beginning of the reporting period	2,520	500	500	500	500
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	500	500	500	500	500

Table 3.4: Departmental capital budget statement

Table 3.4: Departmental capital budget statement

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total	-	-	-	-	-
Represented by					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	800	1,283	1,252	724	292
Total	800	1,283	1,252	724	292

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

	Land \$'000	Buildings \$'000	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	Total \$'000
Carrying amount at the start of year	-	-	-	1,297	-	457	4	1,758
Additions	-	-	-	1,282	-	-	-	1,282
Disposals	-	-	-	(104)	-	-	-	(104)
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	(1,023)	-	(228)	(2)	(1,253)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	1,452	-	229	2	1,683
Total additions	-	-	-	-	-	-	-	-
Self funded	-	-	-	-	-	-	-	-
Appropriations	-	-	-	1,282	-	-	-	1,282
Total	-	-	-	1,282	-	-	-	1,282

NOTES TO THE FINANCIAL STATEMENTS

Departmental Financial Statements and Notes Administered Items

Under the Australian Government'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 assets, liabilities, revenues and expenses in relation to an agency or authority are those which 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.
- Administered items are revenues, expenses, assets and liabilities which are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

Appropriations in the Accrual Budgeting Framework

Under the Australian Government'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;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

Asset valuation

From 1 July 2002 Australian Government 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. See guidance from the Department of Finance and Administration on how to calculate fair value.

- 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;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

This section does not apply to AGIMO as its outputs are not purchased by other agencies to contribute to other government outcomes

COST RECOVERY ARRANGEMENTS

AGIMO does not have any significant cost recovery arrangements.

