AUSTRALIAN OFFICE OF FINANCIAL MANAGEMENT

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Australian Office of Financial Management (AOFM), a 'prescribed agency' under the *Financial Management and Accountability Act 1997*, is responsible for the Commonwealth's debt management activities.

The objective of the AOFM is to raise, manage and retire Commonwealth debt at the lowest possible long-term cost, consistent with an acceptable degree of risk exposure.

APPROPRIATIONS

The total appropriation for the AOFM in the 2002-03 Budget is $40,401.0 million. Table 1.1 on the following page shows the total appropriations for the AOFM's outcome.

Price of output appropriation of $6.57 million is based on budgeted expenses (of $6.59 million) after deducting estimated revenues from external sources (of $0.02 million).

The total administered outcome appropriation of $40,394.4 million is based on budgeted expenses of $6,646.0 million and budgeted debt raising and financial investment activity of $33,748.4 million.

Australian Office of Financial Management — appropriations 2002-03

Table 1.1: Appropriations and other revenue ($'000)

Outcome	Agency (price of outputs) ($'000)					Administered ($'000)				($'000)
	Revenue from government (appropriations)			Revenue from other sources[3]	Price of outputs[2]	Annual appropriations[4] ($'000)		Special appropriations[4]	Total administered appropriations	Total appropriations
	Bill No. 1	Special approps	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs)			
	(A)	(B)	(C = A+B) (C1)[1]	(D)	(E = C+D) (E1)[1]	(F)	(G)	(H)	(I = F+G+H) (I1)[1]	(J=C+I)
Outcome 1 — To enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt servicing costs and an improvement in the net worth of the Commonwealth over time	6,574	-	6,574	20	6,594	2,792	-	40,391,628	40,394,420	40,400,994
			99%	1%	100%					
Total	6,574	-	(K1)[1] 6,574	20	6,594	2,792	-	40,391,628	40,394,420	40,400,994
Agency capital (equity injections and loans)										-
Administered capital										-
Total appropriations										40,400,994

1. References C1, E1 and I1 refer to information provided in Table 2.1. Reference K1 refers to information provided in Table 3.1.
2. Refer to Budgeted Statement of Financial Performance in Table 3.1 for application of agency revenue.
3. Revenue from other sources includes revenue from other sources (for example, sales of goods and services). Non-appropriated agency revenues and administered revenues are detailed in Appendix 1.
4. Estimated expenses from administered annual and special appropriations are shown in Appendix 2.

Note: Percentage figures indicate the percentage contribution of revenue from government (agency appropriations) to the total price of outputs, by outcome.

EQUITY INJECTIONS AND LOANS

An equity injection carried over from the 2000-01 financial year of $3.4 million is expected to be utilised in 2002-03 for the acquisition of a specialist debt management system.

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

The map below shows the relationship between Government outcomes and the contributing outputs for the Australian Office of Financial Management (AOFM). Financial detail for Outcome 1 by output appears in Table 2.1 while non-financial information for Outcome 1 appears in Table 2.2.

Map 2: Outcomes and output groups

Australian Office of Financial Management

Chief Executive Officer: Michael Allen

Overall outcome

Strong, sustainable economic growth and the improved wellbeing of Australians

Outcome 1

To enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt servicing costs and an improvement in the net worth of the Commonwealth over time

Total price of outputs: $6.6 million
Total administered expenses: $6,646.0 million

Output Group 1.1

Australian Office of Financial Management

Output 1.1.1

Debt management

CHANGES TO OUTCOMES AND OUTPUTS

There are no proposed changes to the outcome or outputs since the previous year.

OUTCOME 1 — DESCRIPTION

To enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt servicing costs and an improvement in the net worth of the Commonwealth over time.

Measures affecting Outcome 1

There are no measures for the AOFM in the 2002-03 Budget.

OUTCOME 1 — RESOURCING

Table 2.1 shows how the 2002-03 appropriations translate to total resourcing for Outcome 1, including administered and departmental appropriations, revenue from other sources and the total price of outputs.

Table 2.1: Total resources for Outcome 1 ($'000)

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000
Administered appropriations		
Annual appropriations	3,995	2,792
Special appropriations	38,915,562	40,391,628
Total administered appropriations	38,919,557	(I1)(1) 40,394,420
Agency appropriations		
Output Group 1.1 - Australian Office of Financial Management		
Output 1.1.1 - Debt management	6,031	6,574
Total revenue from government (appropriations)	6,031	(C1)(1) 6,574
Contributing to price of agency outputs	99%	100%
Revenue from other sources		
Interest	60	20
Total revenue from other sources	60	20
Total price from agency outputs (Total revenue from government and from other sources)	6,091	(E1)(1) 6,594
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	38,925,648	40,401,014

	2001-02	2002-03
Average staffing level (number)	30	37

(1) C1, E1 and I1 show the links back to Table 1.1.

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The AOFM has a single output — debt management. The AOFM's debt management operations include the issue of various borrowing instruments, liquidity management and investment activities, the strategic formulation and undertaking of portfolio management, including through swap transactions, and the administration of the Commonwealth debt portfolio.

Notwithstanding surplus funding positions in recent years, the AOFM has undertaken modest issuance programmes directed at maintaining the liquidity and efficiency of Commonwealth Government securities market and the viability of supporting infrastructure. Integral to the continuing efficient management of its funding risk, the AOFM's specific objective for its major debt instrument, Treasury Bonds, remains building and maintaining liquidity in key benchmark lines over a yield curve extending to around 12-13 years.

Debt portfolio management operations are framed by reference to a defined portfolio benchmark that serves as a target for the composition of the Commonwealth debt portfolio. The analytical framework underpinning the benchmark assesses the trade-off between the long-term expected cost and risk of different portfolio structures, thus allowing informed and consistent decisions about the nature of Commonwealth market exposures.

Debt administration is undertaken by the AOFM in conformity with legislative requirements and in compliance with applicable accounting standards.

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome	
Debt issued by the Commonwealth (including Commonwealth Government Securities allocated to States and Territories) and debt assumed from Commonwealth agencies.	Achievement of the Commonwealth's financing task in a cost-effective manner.
Performance information for agency outputs	
Output Group 1.1 - Australian Office of Financial Management	
Output 1.1.1 - Debt management	Achievement of the Commonwealth's financing task in a cost-effective manner. Timely production of reports on debt management activities. Efficient execution of the Commonwealth's borrowing activities. Partial indicators include the narrowness of the range of accepted bids and of the basis point spread between tender and secondary market yields. Efficient management of the Commonwealth's cash balances. Indicators include achievement of the Ministerially endorsed cumulative average cash balance target as at end-year.

EVALUATIONS

Performance with regard to producing the debt management output is currently evaluated using benchmark analysis and regular review of the broader risk management framework to ensure that it remains appropriate in the light of Commonwealth operations and market conditions. Results of evaluations will be presented, as appropriate, in the AOFM's Annual Report.

Section 3: Budgeted financial statements

Budgeted agency and administered financial statements and related notes for the Australian Office of Financial Management (AOFM) are presented in this section. The financial statements are produced for 2001-02 (estimated actual results), 2002-03 (Budget estimate) and three forward years and comprise the following statements. The financial statements should be read in conjunction with the accompanying notes.

AGENCY FINANCIAL STATEMENTS

Budgeted agency statement of financial performance

This statement provides a picture of the expected financial results for the AOFM by identifying full accrual expenses and revenues.

Budgeted agency statement of financial position

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

Budgeted agency statement of cash flows

This statement provides information on the amount and nature of budgeted cash flows, categorised into expected cash flows from operating activities, investing activities and financing activities.

Agency capital budget statement

This statement shows all proposed capital expenditure on non-financial assets, whether funded through capital appropriations (equity or borrowings) or from internally sourced funds.

Agency non-financial assets — summary of movement

This statement shows the budgeted movement in the AOFM's non-financial assets during the Budget year 2002-03.

NOTES OF ADMINISTERED ACTIVITY

Details of transactions administered by the AOFM on behalf of the Commonwealth are to be shown in the following notes to the financial statements.

Note of budgeted administered financial performance

This note identifies the revenues and expenses administered on behalf of the Government.

Note of budgeted administered financial position

This note shows the assets and liabilities administered on behalf of the Government.

Note of budgeted administered cash flows

This note shows cash flows administered on behalf of the Government.

Table 3.1: Budgeted Agency Statement of Financial Performance
for the period ended 30 June

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
Revenues from ordinary activities					
Revenue from government	6,031	(K1)[1] 6,574	6,556	6,556	6,556
Interest	60	20	20	20	20
Total revenues from ordinary activities	6,091	6,594	6,576	6,576	6,576
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	2,944	3,921	4,035	4,096	4,158
Suppliers	1,976	1,769	1,637	1,576	1,514
Depreciation and amortisation	243	632	632	632	632
Total expenses from ordinary activities (excluding borrowing costs expense)	5,163	6,322	6,304	6,304	6,304
Net surplus or deficit from ordinary activities	928	272	272	272	272
Capital use charge	272	272	272	272	272
Net surplus or deficit after capital use charge	656	-	-	-	-

(1) K1 — shows the link back to Table 1.1.

Table 3.2: Budgeted Agency Statement of Financial Position
as at 30 June

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
ASSETS					
Financial assets					
Cash	119	864	1,675	2,488	3,304
Investments	2,000	2,000	2,000	2,000	2,000
Accrued revenues	7	-	-	-	-
Total financial assets	2,126	2,864	3,675	4,488	5,304
Non-financial assets					
Infrastructure, plant and equipment	1,519	1,419	1,309	1,199	1,089
Intangibles	44	2,922	2,400	1,878	1,356
Other	29	-	-	-	-
Total non-financial assets	1,592	4,341	3,709	3,077	2,445
Total assets	3,718	7,205	7,384	7,565	7,749
LIABILITIES					
Provisions and payables					
Employees	1,008	1,138	1,317	1,498	1,682
Suppliers	151	108	108	108	108
Total provisions and payables	1,159	1,246	1,425	1,606	1,790
Total liabilities	1,159	1,246	1,425	1,606	1,790
EQUITY					
Capital	-	3,400	3,400	3,400	3,400
Reserves	-	-	-	-	-
Accumulated surpluses or deficits	2,559	2,559	2,559	2,559	2,559
Total equity	2,559	5,959	5,959	5,959	5,959
Current liabilities	340	230	271	314	356
Non-current liabilities	819	1,016	1,154	1,292	1,434
Current assets	2,155	2,864	3,675	4,488	5,304
Non-current assets	1,563	4,341	3,709	3,077	2,445

Table 3.3: Budgeted Agency Statement of Cash Flows
for the period ended 30 June

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	6,031	6,574	6,556	6,556	6,556
Interest	60	20	20	20	20
Total cash received	6,091	6,594	6,576	6,576	6,576
Cash used					
Employees	3,010	3,790	3,857	3,915	3,974
Suppliers	1,975	1,777	1,636	1,576	1,514
Total cash used	4,985	5,567	5,493	5,491	5,488
Net cash from operating activities	1,106	1,027	1,083	1,085	1,088
INVESTING ACTIVITIES					
Cash received					
Other — equity injection	-	3,400	-	-	-
Total cash received	-	3,400	-	-	-
Cash used					
Purchases of property, plant and equipment	457	3,410	-	-	-
Total cash used	457	3,410	-	-	-
Net cash from investing activities	(457)	(10)	-	-	-
FINANCING ACTIVITIES					
Cash used					
Capital use and dividends paid	1,405	272	272	272	272
Total cash used	1,405	272	272	272	272
Net cash from financing activities	(1,405)	(272)	(272)	(272)	(272)
Net increase (decrease) in cash held	(756)	745	811	813	816
Cash at the beginning of the reporting period	875	119	864	1,675	2,488
Cash at the end of the reporting period	119	864	1,675	2,488	3,304

Table 3.4: Agency Capital Budget Statement

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
PURCHASE OF NON CURRENT ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by agency resources	457	3,410	-	-	-
Total	457	3,410	-	-	-

Table 3.5: Agency Non-financial Assets — Summary of Movement (Budget year 2002-03)

	Land	Buildings	Total land and buidings	Specialist military equipment	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Carrying amount at the start of year	-	-	-	-	1,519	1,519	44	1,563
Additions	-	-	-	-	10	10	3,400	3,410
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	(110)	(110)	(522)	(632)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	-	-	-	-	1,419	1,419	2,922	4,341
Total additions								
Self funded	-	-	-	-	10	10	3,400	3,410
Appropriations	-	-	-	-	-	-	-	-
Total	-	-	-	-	10	10	3,400	3,410

Table 3.7: Note of Budgeted Financial Performance Administered on behalf of Government *for the period ended 30 June*

	Estimated actual 2001-02 $'000	Budget estimates 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
REVENUES					
Non-taxation					
Interest	3,093,583	2,808,221	2,672,430	3,039,614	3,491,483
Net foreign exchange gains	557,768	-	-	-	-
Other sources of non-taxation revenues	851	847	849	849	520
Total non-taxation	3,652,202	2,809,068	2,673,279	3,040,463	3,492,003
Total revenues administered on behalf of government	3,652,202	2,809,068	2,673,279	3,040,463	3,492,003
EXPENSES					
Grants	36,318	31,300	36,704	54,330	195,691
Interest and financing costs	6,938,548	6,613,823	5,502,932	4,899,422	4,136,113
Debt assumption	140,025	-	-	-	-
Other	829	829	829	829	500
Total expenses administered on behalf of government	7,115,720	6,645,952	5,540,465	4,954,581	4,332,304

Table 3.8: Note of Budgeted Financial Position Administered on behalf of Government *as at 30 June*

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
ASSETS					
Financial assets					
Cash	53	53	53	53	53
Receivables	4,331,593	4,179,808	3,802,989	3,644,671	3,423,183
Investments	6,764,000	-	-	-	-
Accrued revenues	205,180	162,081	156,442	175,776	210,045
Total financial assets	11,300,826	4,341,942	3,959,484	3,820,500	3,633,281
Total assets administered on behalf of government	11,300,826	4,341,942	3,959,484	3,820,500	3,633,281
LIABILITIES					
Interest bearing liabilities					
Loans — Commonwealth securities	64,087,857	52,697,914	38,143,311	22,275,338	2,302,014
Other — swap principal	2,390,000	1,859,000	1,059,000	865,000	748,000
Total interest bearing liabilities	66,477,857	54,556,914	39,202,311	23,140,338	3,050,014
Provisions and payables					
Other — interest	2,866,464	2,955,053	2,918,871	2,961,167	2,296,258
Total provisions and payables	2,866,464	2,955,053	2,918,871	2,961,167	2,296,258
Total liabilities administered on behalf of government	69,344,321	57,511,967	42,121,182	26,101,505	5,346,272

Table 3.9: Note of Budgeted Administered Cash Flows
for the period ended 30 June

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
OPERATING ACTIVITIES					
Cash received					
Cash from Official Public Account	6,891,825	6,305,534	5,642,818	4,942,456	5,041,713
Interest	3,143,860	2,878,320	2,745,069	3,051,280	3,502,214
Other	20	20	20	20	20
Total cash received	10,035,705	9,183,874	8,387,907	7,993,756	8,543,947
Cash used					
Grants	36,318	31,300	36,704	54,330	195,691
Interest	6,855,507	6,274,234	5,606,114	4,888,126	4,846,022
Cash to Official Public Account	3,143,880	2,878,340	2,745,089	3,051,300	3,502,234
Other					
Total cash used	10,035,705	9,183,874	8,387,907	7,993,756	8,543,947
INVESTING ACTIVITIES					
Cash received					
Other — Housing Loan repayments	74,675	77,312	79,822	82,209	84,227
Total cash received	74,675	77,312	79,822	82,209	84,227
Cash used					
Cash to Official Public Account	74,675	77,312	79,822	82,209	84,227
Total cash used	74,675	77,312	79,822	82,209	84,227
FINANCING ACTIVITIES					
Cash received					
Proceeds from borrowing	15,104,000	26,138,000	21,768,000	21,547,000	24,241,000
Cash from Official Public Account	32,099,469	34,027,297	39,275,606	38,034,297	44,784,817
Other — swaps	5,935,000	2,526,000	2,450,000	500,000	598,000
Total cash received	53,138,469	62,691,297	63,493,606	60,081,297	69,623,817
Cash used					
Repayments of debt	25,310,469	31,010,297	36,025,606	37,340,297	44,069,817
Cash to Official Public Account	21,039,000	28,664,000	24,218,000	22,047,000	24,839,000
Other — swaps	6,789,000	3,017,000	3,250,000	694,000	715,000
Total cash used	53,138,469	62,691,297	63,493,606	60,081,297	69,623,817
Net increase (decrease) in cash held	-	-	-	-	-
Cash at beginning of reporting period	53	53	53	53	53
Administered cash at end of reporting period	53	53	53	53	53

NOTES TO THE FINANCIAL STATEMENTS

Basis of accounting

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention. No allowance is made for the effect of changing prices on the results or the financial position of the AOFM.

Administered internal transactions

Administered transactions between the AOFM and other agencies within the general government (administered internal transactions) are not reported in the note of budgeted administered financial performance or the note of administered financial position.

Cash flows in the note of budgeted administered cash flows are reported inclusive of administered internal transactions.

Goods and Services Tax (GST)

The AOFM is an input taxed entity under *A New Tax System (Goods and Services Tax) Act 1999*.

The budgeted financial statements have been prepared in accordance with the Goods and Services Tax (GST) accounting guidelines of the Urgent Issues Group (UIG) of the Australian Accounting Standards Board. The UIG consensus requires that expenses and assets be accounted for net of recoverable GST, revenues be accounted for net of GST payable and that cash flows and accounts payable and receivable be reported gross. Appropriations are thus net of recoverable GST amounts.

Agency and administered financial statements

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (agency transactions) are separately budgeted for and reported 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.

- Agency assets, liabilities, revenues and expenses are those which are controlled by the agency. Agency expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

- Administered assets, liabilities, revenues and expenses are those which are managed on behalf of the Government according to set government directions. Administered expenses include interest incurred on Commonwealth debt and administered revenues include interest earned on housing agreement loans and interest from swaps.

Appropriations in the accrual budgeting framework

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

- agency price of outputs appropriations: representing the Government's purchase of outputs; and
- administered expense appropriations: for the estimated administered expenses relating to debt management output.

In addition, special appropriations continue under the accrual budgeting framework, and fund the majority of payments from the Official Public Account, including gross debt redemption and financial investment activity.

Agency revenues and expenses

Appropriations

Price of outputs appropriation estimates are not based on market price indicators. The agreed price of outputs appropriation estimates are based on budgeted expenses.

The AOFM has prepared its estimates for the 2002-03 budget and forward years to achieve a break-even operating result. Consequently the appropriation revenue from Government represents the funding required to meet all expenses after deduction of revenue from other sources.

Interest revenue

As part of the agency banking incentive scheme, the AOFM has estimated that it will earn $20,000 interest on credit balances in its agency account and from term deposit investments.

Employee expenses

The AOFM envisages an increase in the average staffing level during the 2002-03 Budget year.

Assets and liabilities

The estimated cash reserves will be maintained in order to ensure that the AOFM is well placed to:

- settle employee liabilities as they fall due;
- make asset replacements (from depreciation funding); and
- repay liabilities.

Budgeted financial statements have been prepared on the assumption that unspent monies will not be withdrawn by the Department of Finance and Administration.

Administered notes of budgeted financial statements

Revenues and expenses

Non-taxation revenue — interest

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
Interest					
Interest on housing agreements	169,249	166,109	162,853	159,477	156,164
Interest on State and Territory debt	37,558	31,940	20,065	11,279	633
Interest from other sources	2,886,776	2,610,172	2,489,512	2,868,858	3,334,686
Total interest	3,093,583	2,808,221	2,672,430	3,039,614	3,491,483

Interest from other sources includes interest from swaps and investments.

Expenses — grants

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
Grants					
Grants to State and Territory Government	36,318	31,300	36,704	54,330	195,691
Total grants	36,318	31,300	36,704	54,330	195,691

Expenses — interest and other financing costs

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
Interest and other financing costs					
Interest on Government securities	4,928,211	4,593,773	4,025,767	3,618,339	3,082,314
Interest on Swaps	1,845,100	1,720,000	1,456,000	1,269,000	1,047,000
Interest on other debt	5,950	18,846	17,961	8,879	3,595
Net repurchase premia	154,780	278,000	-	-	-
Other financing costs	4,507	3,204	3,204	3,204	3,204
Total interest and other financing costs	6,938,548	6,613,823	5,502,932	4,899,422	4,136,113

Assets and Liabilities

Interest bearing liabilities — loans

Loans represent the book value of government securities on issue, net of investments.

Financial assets — receivables

	Estimated actual 2001-02 $'000	Budget estimate 2002-03 $'000	Forward estimate 2003-04 $'000	Forward estimate 2004-05 $'000	Forward estimate 2005-06 $'000
Receivables					
Loans to State and Territory Governments	4,291,593	4,179,808	3,802,989	3,644,671	3,423,183
Swap principal	40,000	-	-	-	-
Total receivables	4,331,593	4,179,808	3,802,989	3,644,671	3,423,183

APPENDIX 1: RECEIPTS FROM INDEPENDENT SOURCES

Receipts from independent sources

	Estimated revenue 2001-02 $'000	Estimated revenue 2002-03 $'000
AGENCY REVENUE		
Non-appropriation agency revenue		
AOFM section 31 receipts	60	20
Total non-appropriation agency revenue	60	20
Appropriations	6,031	6,574
Total agency revenue	6,091	6,594
ADMINISTERED REVENUE		
Non-appropriation administered revenue		
Advances to the States under the Housing Agreements — interest	97,324	94,938
Advances to the Northern Territory for housing — interest	1,536	1,516
Advances to the States under the *Housing Assistance Act 1973* — interest	144	141
Advances to the States under the *States (Works and Housing Assistance) Acts* — interest	69,877	69,178
Advances to the States under the *War Service Lands Settlements Acts* — interest	368	336
Interest paid by States and the Northern Territory on other loans	37,558	31,940
Interest on financial assets	368,417	388,172
Loan management expenses — recoveries from the States and the Northern Territory	20	20
Loans Securities Amendment Act 1988 (Swaps) — interest	2,518,359	2,222,000
Loans Securities Amendment Act 1988 (Swaps) — principal	557,768	-
Other	831	827
Total non-appropriation administered revenue	3,652,202	2,809,068

APPENDIX 2: ESTIMATES OF EXPENSES FROM ADMINISTERED APPROPRIATIONS

Estimates of expenses from administered appropriations

	Estimated expenses 2001-02 $'000	Estimated expenses 2002-03 $'000
ESTIMATED EXPENSES		
Appropriation Bill No. 1		
Loan management expenses	3,985	2,782
Overseas bond issues — lapsed coupons	10	10
Total Appropriation Bill No. 1	3,995	2,792
Special appropriations		
Airports (Transitional) Act 1996 — former debts of the Federal Airports Commission — interest	29,530	29,530
Commonwealth Inscribed Stock Act 1911, *Loans Securities Act 1919*, *Loans Redemption and Conversion Act 1921*	5,026,512	4,581,119
Loans Securities Amendment Act 1988 (Swaps) — interest	1,845,100	1,720,000
Financial Agreement Act 1994 — assistance for debt redemption	34,400	29,800
Financial Agreement Act 1994 — Commonwealth contribution to the Debt Retirement Reserve Trust Account on State and Northern Territory debt	1,918	1,500
Financial Agreement Act 1994 — interest on Debt Retirement Reserve Trust Account balances	829	829
Australian National Railways Commission Act 1983 — debt servicing	18,234	-
Snowy Hydro Corporatisation Act 1997 — debt servicing	-	1,960
Loan flotation expenses	422	422
Loans Redemption and Conversion Act 1921 — net repurchase premia	154,780	278,000
Total special appropriations	7,111,725	6,643,160
Total estimated expenses	7,115,720	6,645,952