
GLOSSARY

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional estimates Bills or Acts	These are appropriation Bills Nos 3 and 4, in a separate Bill for the Parliamentary Departments (Appropriations (Parliamentary Departments) Bill No.2). These Bills are introduced into Parliament after the Budget Bills.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Capital Use Charge	The Capital Use Charge was a dividend requirement levied on Commonwealth General Government Sector agencies and authorities until 30 June 2003.

Consolidated revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses which are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes Price, Quality and Quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.

FMA Act	<i>Financial Management and Accountability Act 1997</i>
Historical cost	The original cost of the acquisition of an asset, including any costs associated with the acquisition. Under the Australian Accounting Standard 10 'Acquisition of Non-Current Assets'. Assets need to be reported initially at acquisition (historical cost).
Intermediate outcomes	More specific medium-term impacts (trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. Combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes.
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Commonwealth. Actual outcomes are assessments of the results or impacts actually achieved.
Output groups	A logical aggregation of agency outputs, where useful, based either on homogeneity, type of product or beneficiary target group. Aggregation may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.

Quantity	One of the three key efficiency indicators. Size of an output. Count or volume measures. How many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special account	Balances existing within the Consolidated Revenue Fund (CRF), that are supported by standing appropriations (Financial Management and Accountability Act 1997 (FMA Act), s20 and s21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s20 FMA Act) or through an Act of Parliament (referred to in s21 of the FMA Act).
Special appropriations (including standing appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations - the amount appropriated will depend on circumstances specified in the legislation.</p>