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From:
Sent: Monday, 21 November 2011 9:08 AM
To: @finance.gov.au
Cc:
Subject: EM 2011/39 - Foreign Exchange Risk Management Annual Report for 2011-12
[SEC=UNCLASSIFIED]
Attachments: Treasury Foreign Exchange Report 2011-12 (resp).pdf
Security Classification: UNCLASSIFIED

Hi ,

Please find attached Treasury's completed Foreign Exchange Risk Management Annual Report for 2011-12.

If you have any queries please contact me on 6263 .

Regards,

ENTITY FOREIGN EXCHANGE REPORT FOR 2011-12

Entity Name: **Department of Treasury**

Please complete the following questions by ticking the appropriate boxes.

1. Entities that have opted back into the forex reporting process

Such entities should note that consistent with the policy, information provided in the templates should cover new exposures only, which have arisen after opting back in.

2. Foreign Exchange Exposures

Does the entity have any foreign exchange exposure to report?

Forex exposures are calculated as the Australian dollar amounts that are expected to be paid or received in a foreign currency. This calculates the entity's exposure to loss (or gain) as a result of movements in exchange rates. Exposures represent expected transactions and therefore, are not realised gains or losses.

☐ If no, go to question 3.

☒ If yes, please complete Template 1 – Foreign Exchange Exposures.

3. Foreign Exchange Gain or Loss for the Previous Year

In 2010-11, did the entity make an overall foreign exchange gain/loss in excess of A\$5 million, or 1 per cent of its departmental appropriation (for FMA Agencies), or total cash expenditure (for CAC bodies)?

☒ If no, go to question 4.

☐ If yes, please complete Template 2 – Foreign Exchange Gain or Loss for the Previous Year.

4. Foreign Exchange Adjustments

Did the entity make any adjustments to resourcing, for the foreign exchange component of transactions, for 2011-12 and/or the forward years?

☒ If no, go to question 5.

☐ If yes, please complete Template 3 – Foreign Exchange Adjustments.

5. Does the entity seek to apply to opt out of future annual foreign exchange reporting requirements?

☒ If no, please sign off.

- ☐ If yes
- please complete Template 1 – Foreign Exchange Exposures, as this will be used by Finance to assess applications; and
 - please confirm that the entity has advised its Minister of this application to opt out of foreign exchange reporting. ▪ Date Minister was advised: _____

Further background information on opting out of foreign exchange reporting is available in Estimates Memorandum 2006/37.

Sign-off by the CFO

I _____ **Chief Financial Officer**
ofDepartment of Treasury.....

certify that the information provided is complete and accurate and that it, and all relevant management practices, complies with the *Australian Government Foreign Exchange Risk Management Guidelines*.

Signature of CFO:

Date: 16 / 11 / 11

Forward all documentation to your AAU in the Department of Finance and Deregulation. If you have any queries, please contact your AAU for assistance.

Entity Name: Department of Treasury					
	Actual Foreign Exchange Exposure for 2010-11 AUD m	Estimated Foreign Exchange Exposure for 2011-12 AUD m	Estimated Foreign Exchange Exposure for 2012-13 AUD m	Estimated Foreign Exchange Exposure for 2013-14 AUD m	Estimated Foreign Exchange Exposure for 2014-15 AUD m
Departmental Payable	0.000	0.000	0.000	0.000	0.000
Departmental Receivable	0.000	0.000	0.000	0.000	0.000
Total Departmental Exposures	0.000	0.000	0.000	0.000	0.000
Administered Payable	4,658.686	4,625.793	4,658.984	4,724.503	4,790.986
Administered Receivable	5,946.397	5,211.436	10,381.432	11,342.406	11,500.752
Total Administered Exposures	10,605.083	9,837.229	15,040.416	16,066.909	16,291.738

1. Exposure is departmental or administered amounts payable or receivable in a foreign currency, and Australian dollar amounts payable or receivable, which are calculated based on a foreign currency.

Notes: 2. Exposures are always positive.

3. To calculate estimated foreign exchange exposures, please use the most recent BER as provided by your AAU in Finance.

4. All amounts are in AUD millions.

Entity Name: Department of Treasury		
	Resources from Government* AUD m	Please identify the reason for any significant gains/losses or adjustments.
Foreign Exchange gains and losses in 2010-11		
A	Identify the total gain (+) or loss (-) realised from foreign exchange transactions which occurred in the period 1 July 2010 to 30 June 2011.	0
B	Identify the total adjustments made to resourcing to reflect 2010-11 gain or loss	0
Reconciliation of resourcing for Foreign Exchange in 2010-11		
C	Adjustment required to reconcile entity resourcing with realised gain or loss. Please do not enter an amount for this row and let this spreadsheet calculate the amount. If you disagree with the calculated amount, then please enter a comment and discuss it with your AAU.	0.000

Notes: * means Departmental appropriation for FMA Agencies and Commonwealth payments to CAC bodies. All amounts are in AUD millions.
See the Estimates Memorandum for explanations of gain, loss and exposures and guidance on applying the most recent Budget Exchange Rate (BER) to calculate exposures.

Entity Name: Department of Treasury		
	Resources from Government* AUD m	Please identify the reason for any significant adjustments.
Adjustment for Foreign Exchange for 2011-12		
A	0.000	Identify the overall gain (+) or loss (-) from foreign exchange transactions that occurred between 1 July 2010 and the most recent estimates update
B	0.000	Identify adjustments made (to resourcing estimates) to reflect the gain or loss in A above
C	0.000	Identify the overall adjustments required (to resourcing estimates) to reflect updated exposures for immediately after the most recent estimates update, to 30 June 2012
D	0.000	Identify adjustments made (to resourcing estimates) to reflect updated exposures for the period immediately after the most recent estimates update, to 30 June 2012
E	0.000	Any adjustment required to reconcile entity resourcing <i>Do not enter an amount for this row; let it be calculated by spreadsheet. If you disagree with the calculation, then enter a comment and discuss it with your AAU.</i>
Adjustment for Foreign Exchange for 2012-13		
F	0.000	Identify adjustments made to reflect updated exposures for 2012-13
Adjustment for Foreign Exchange for 2013-14		
G	0.000	Identify adjustments made to reflect updated exposures for 2013-14
Adjustment for Foreign Exchange for 2014-15		
H	0.000	Identify adjustments made to reflect updated exposures for 2014-15

* means Departmental appropriation for FMA Agencies and Commonwealth payments to CAC bodies. All amounts are in AUD millions.

Notes See the Estimates Memorandum for explanations of gain, loss and exposures and guidance on applying the most recent Budget Exchange Rate (BER) to calculate exposures.

A A gain should be entered as a positive figure and a loss as a negative figure.

B - H An adjustment should be entered as a positive figure (representing supplementation) or as a negative figure (representing reduced resourcing).