

Infrastructure Australia

Entity resources and planned performance

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Infrastructure Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Infrastructure Australia (IA) is a statutory authority established on 1 September 2014 following amendment of the *Infrastructure Australia Act 2008*. IA's primary role is to support the Australian Government's priorities through the provision of high quality independent advice concerning nationally significant infrastructure matters

In 2022-23, the Government undertook an Independent Review of IA. The Review and Government Response to the Review were publicly released on 8 December 2022. The Government Response to the IA Review supported a number of recommendations, including recommendations that require amendments to legislation.

The Infrastructure Australia Amendment (Independent Review) Bill 2023 was introduced to parliament on 22 March 2023. This Bill proposes a number of changes, including to its functions and governance structure.

In 2023-24, IA will:

- continue to provide independent advice to the Australian Government on nationally significant infrastructure matters;
- perform the necessary functions to meet legislative and Statement of Expectations' requirements; and
- where applicable, IA will work to implement any necessary changes to its functions or governance in line with any changes arising as a result of passing into legislation of the Infrastructure Australia Amendment (Independent Review) Bill 2023.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by departmental (for IA's operations) classification.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Infrastructure Australia resource statement — Budget estimates for 2023-24 as at Budget May 2023

	2022-23 Estimated actual \$'000	2023-24 Estimate \$'000
Opening balance/cash reserves at 1 July	4,430	4,713
Funds from Government		
Annual appropriations - ordinary annual services ^{(a)(b)}		
Outcome 1	12,524	12,961
Total annual appropriations	12,524	12,961
Total funds from Government	12,524	12,961
Funds from industry sources		
Funds from other sources		
Interest	105	189
Total funds from other sources	105	189
Total net resourcing for Infrastructure Australia	17,059	17,863
	2022-23	2023-24
Average staffing level (number)	33	38

Prepared on a resourcing (that is, appropriations available) basis.

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2022-23

(b) A reduction of \$0.209m for IA's share of Whole of Government (WoG) savings measure applied at the 2022-23 October Budget has also been reflected in 2022-23.

IA is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, which are then paid to IA and are considered 'departmental' for all purposes.

1.3 Budget measures

There are no measures relating to Infrastructure Australia for the for the 2023-24 Budget.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for IA can be found at:

https://www.infrastructureaustralia.gov.au/sites/default/files/2022-09/IA_2022-23%20Corporate%20Plan.pdf

The most recent annual performance statement can be found at:

https://www.infrastructureaustralia.gov.au/sites/default/files/2022-10/IA_2021-22%20ANNUAL%20REPORT_2.2_DIGI.pdf

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Improve decision-making on matters relating to infrastructure; advise governments and others on matters relating to infrastructure, including better assessment of infrastructure needs and prioritisation of infrastructure projects; and promote best practice infrastructure planning, financing, delivery and operation

Budgeted expenses for Outcome 1

This table shows how IA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
Program 1.1: Infrastructure Australia					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	12,524	12,961	13,269	13,458	13,611
Revenues from other independent sources	105	189	175	175	175
Total expenses for Program 1.1	12,629	13,150	13,444	13,633	13,786
Outcome 1 totals by resource type					
Revenue from Government Ordinary annual services (Appropriation Bill No. 1)	12,524	12,961	13,269	13,458	13,611
Revenues from other independent sources	105	189	175	175	175
Total expenses for Outcome 1	12,629	13,150	13,444	13,633	13,786
	2022-23	2023-24			
Average staffing level (number)	33	38			

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2023-24 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Improve decision-making on matters relating to infrastructure; advise governments and others on matters relating to infrastructure, including better assessment of infrastructure needs and prioritisation of infrastructure projects; and promote best practice infrastructure planning, financing, delivery and operation.		
Program 1.1 – IA will contribute to the Government's objective of supporting competitiveness, driving productivity and enhancing quality of life, through the provision of high quality advice.		
Key Activities	IA will provide high quality independent advice on nationally significant infrastructure matters to the Australian Government. This advice will include published project evaluations, infrastructure priority lists and other initiatives.	
Year	Performance measures	Expected Performance Results
Current year 2022-23	Evaluate project proposals on all infrastructure proposals, excluding defence projects, where funding of more than \$250 million is sought from the Commonwealth	Target: Evaluations of project proposals completed and a summary of these evaluations published on IA's website. Actual: 11 project proposals assessed. Target Achieved.
	Undertake research initiatives that promote best practice in the planning, funding and delivery of infrastructure	Target: Deliver research and other initiatives that provide leadership on regulatory reform objectives and promote best practice in the planning, funding, delivery and operation of infrastructure. The following research initiatives have been published in 2022-23: <ul style="list-style-type: none"> • 2022 Infrastructure Market Capacity Report. • 2022 Replacement Materials Report. • 2022 Strengthening Communities Report. • Guide to assessing greenhouse gas emissions (interim). Target Achieved.
Year	Performance measures	Planned Performance Results
Budget year 2023-24	Provide independent advice to the Australian Government and perform the necessary functions to meet legislative and Statement of Expectations' requirements	Advice prepared and functions performed in accordance with legislative requirements and in line with our Statement of Intent.
Forward Estimates 204-27	As per 2023-24	As per 2023-24.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of IA finances for the 2023-24 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Explanatory notes and analysis of budgeted financial statements

Revenue

The vast majority of IA's budgeted revenues are appropriations, totalling \$13.2 million in 2023-24. In addition to appropriations IA earns a small amount of interest revenue from its cash deposits.

Expenses

IA is budgeting for expenses of \$13.2 million in 2023-24. This consists of \$8.4 million employee expenses, \$3.5 million supplier expenses and \$1.3 million in depreciation, amortisation and finance costs.

IA's expense budget reflects the work program for IA in 2023–24. This includes the continued provision of advice on nationally significant infrastructure matters to Government, evaluation of project proposals, the delivery of annual analytical assessments of infrastructure market capacity. IA will further continue to establish and develop the corporate capabilities to support IA's role as an independent entity that provides high quality advice.

Balance Sheet

At 30 June 2024, IA is budgeting for net assets of \$3.0 million representing assets of \$6.7 million and liabilities of \$3.6 million.

The most significant asset balances relate to cash and a right-of-use asset associated with IA's office lease.

The most significant liabilities relate to the lease liability associated with IA's office lease, and supplier payables.

3.2 Budgeted financial statements tables

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
EXPENSES					
Employee benefits	7,229	8,388	8,190	8,466	8,688
Suppliers	4,086	3,458	4,009	3,870	3,840
Depreciation and amortisation	1,281	1,283	1,236	1,288	1,249
Finance costs	33	21	9	9	9
Total expenses	12,629	13,150	13,444	13,633	13,786
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	105	189	175	175	175
Total own-source revenue	105	189	175	175	175
Total own-source income	105	189	175	175	175
Net (cost of)/contribution by services	(12,524)	(12,961)	(13,269)	(13,458)	(13,611)
Revenue from Government	12,524	12,961	13,269	13,458	13,611
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) - as per statement of comprehensive income	-	-	-	-	-
plus: depreciation/amortisation expenses for ROU assets ^(a)	904	904	904	904	904
less: lease principal repayments ^(a)	(1,135)	(1,191)	(1,142)	(1,000)	(1,000)
Net cash operating surplus/ (deficit)	(231)	(287)	(238)	(96)	(96)

Prepared on Australian Accounting Standards basis.

(a) Applies to leases under AASB 16 Leases.

Table 3.2: Budgeted Departmental balance sheet (as at 30 June)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,713	4,955	5,042	5,271	5,461
Trade and other receivables	262	34	34	34	34
Total financial assets	4,975	4,989	5,076	5,305	5,495
Non-financial assets					
Land and buildings	2,291	1,145	-	2,508	1,350
Property, plant and equipment	402	327	246	178	149
Other non-financial assets	141	191	191	191	191
Total non-financial assets	2,834	1,663	437	2,877	1,690
Total assets	7,809	6,652	5,513	8,182	7,185
LIABILITIES					
Payables					
Suppliers	1,248	999	999	999	999
Other payables	49	63	63	63	63
Total payables	1,297	1,062	1,062	1,062	1,062
Interest bearing liabilities					
Leases	2,333	1,142	0	2,666	1,666
Total interest bearing liabilities	2,333	1,142	-	2,666	1,666
Provisions					
Employee provisions	903	1,169	1,169	1,169	1,169
Other provisions	238	241	244	247	250
Total provisions	1,141	1,410	1,413	1,416	1,419
Total liabilities	4,771	3,614	2,475	5,144	4,147
Net assets	3,038	3,038	3,038	3,038	3,038
EQUITY					
Contributed equity	(1,263)	(1,263)	(1,263)	(1,263)	(1,263)
Reserves	(4)	(4)	(4)	(4)	(4)
Retained surplus (accumulated deficit)	4,305	4,305	4,305	4,305	4,305
Total equity	3,038	3,038	3,038	3,038	3,038

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2023-24)

	Retained earnings	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2023				
Balance carried forward from previous period	4,305	(4)	(1,263)	3,038
Adjusted opening balance	4,305	(4)	(1,263)	3,038
Comprehensive income				
Surplus/(deficit) for the period	-	-	-	-
Estimated closing balance as at 30 June 2024	4,305	(4)	(1,263)	3,038
Closing balance attributable to the Australian Government	4,305	(4)	(1,263)	3,038

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	12,524	12,961	13,269	13,458	13,611
Interest	105	189	175	175	175
Other	8	228	-	-	-
Total cash received	12,637	13,378	13,444	13,633	13,786
Cash used					
Employees	7,053	8,103	8,190	8,466	8,688
Suppliers	4,091	3,757	4,009	3,870	3,840
Interest payments on lease liability	31	18	6	6	6
Other	-	5	-	-	-
Total cash used	11,175	11,883	12,205	12,342	12,534
Net cash from/(used by) operating activities	1,462	1,495	1,239	1,291	1,252
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	44	62	10	62	62
Total cash used	44	62	10	62	62
Net cash from/(used by) investing activities	(44)	(62)	(10)	(62)	(62)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,135	1,191	1,142	1,000	1,000
Total cash used	1,135	1,191	1,142	1,000	1,000
Net cash from/(used by) financing activities	(1,135)	(1,191)	(1,142)	(1,000)	(1,000)
Net increase/(decrease) in cash held	283	242	87	229	190
Cash and cash equivalents at the beginning of the reporting period	4,430	4,713	4,955	5,042	5,271
Cash and cash equivalents at the end of the reporting period	4,713	4,955	5,042	5,271	5,461

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	44	62	10	62	62
TOTAL	44	62	10	62	62
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	44	62	10	62	62
Total cash used to acquire assets	44	62	10	62	62

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding - current Bill 1 and prior year Acts 1/3/5 appropriations (excluding amounts from the DCB).

Table 3.6: Statement of departmental asset movements (Budget year 2023-24)

	Asset Category		Total
	Buildings	Other property, plant and equipment	
	\$'000	\$'000	\$'000
As at 1 July 2023			
Gross book value	1,207	764	1,971
Gross book value - ROU assets	4,744	-	4,744
Accumulated depreciation/amortisation and impairment	(724)	(362)	(1,086)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,936)	-	(2,936)
Opening net book balance	2,291	402	2,693
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services ^(a)	-	62	62
Total additions	-	62	62
Other movements			
Depreciation/amortisation expense	(242)	(137)	(379)
Depreciation/amortisation on ROU assets	(904)	-	(904)
Total other movements	(1,146)	(137)	(1,283)
As at 30 June 2024			
Gross book value	1,207	826	2,033
Gross book value - ROU assets	4,744	-	4,744
Accumulated depreciation/amortisation and impairment	(966)	(499)	(1,465)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,840)	-	(3,840)
Closing net book balance	1,145	327	1,472

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2023-24 for depreciation/amortisation expenses, departmental capital budget or other operational expenses.