PORTFOLIO BUDGET STATEMENTS 2022–23

BUDGET RELATED PAPER NO. 1.12

**INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS PORTFOLIO**

Budget Initiatives and Explanations of Appropriations   
Specified by Outcomes and Programs by Entity

© Commonwealth of Australia 2022

ISSN 2653-6056 (Print)

ISSN 2653-6064 (Online)

This publication is available for your use under a Creative Commons BY Attribution 3.0 Australia licence, with the exception of the Commonwealth Coat of Arms, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from http://creativecommons.org/licenses/by/3.0/au/legalcode.

Creative Commons logo

Use of the Department’s material under a Creative Commons BY Attribution 3.0 Australia licence requires you to attribute the work (but not in any way that suggests that the Department endorses you or your use of the work).

**The Australian Government  Department of Infrastructure, Transport, Regional Development, Communications and the Artsmaterial used 'as supplied'**

Provided you have not modified or transformed the Department’s material in any way including, for example, by changing the Department’s text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Department statistics – then the Department prefers the following attribution:

Source: The Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

**Derivative material**

If you have modified or transformed the Department’s material, or derived new material from those of the Department’s in any way, then the Department prefers the following attribution:

Based on the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts data.

**Use of the Coat of Arms**

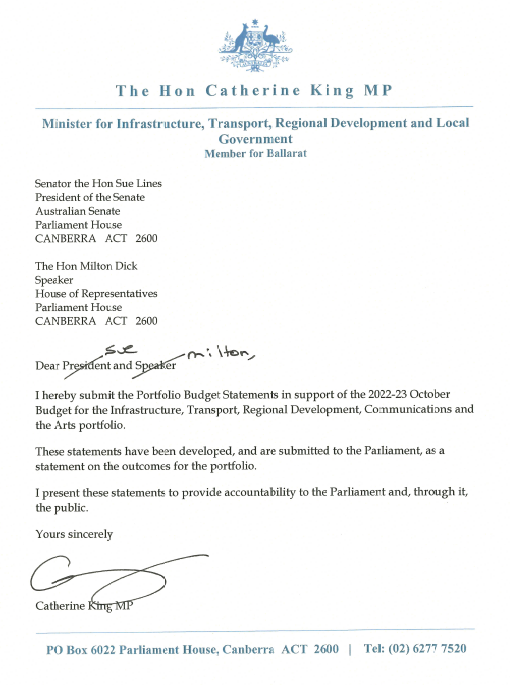
The terms under which the Coat of Arms can be used are set out on the Department of the Prime Minister and Cabinet website (see www.pmc.gov.au/government/commonwealth-coat-arms).

**Other uses**

Enquiries regarding this licence and any other use of this document are welcome at:

Chief Financial Officer

Department of Infrastructure, Transport, Regional Development,   
Communications and the Arts  
Telephone: 02 6274 7111  
Email: helpbudgets@infrastructure.gov.au



#### Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

#### Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, Department of Infrastructure, Transport, Regional Development, Communications and the Arts on (02) 6274 7111.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: www.budget.gov.au.

User Guide  
to the  
Portfolio Budget Statements

User Guide

The purpose of the *October 2022-23 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2022-23 (or Appropriation (Parliamentary Departments) Bill *(*No. 1) 2022-23 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth Performance Framework

The following diagram outlines the key components of the Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

**Commonwealth Performance Framework**Key components of relevant publications

Portfolio Budget Statements (October)   
*Portfolio based*

Corporate Plan  
(August)  
*Entity based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs**  
undertaken by other Commonwealth  
entities.

Provides high level performance  
information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective  
performance information for proposed new budget measures that require **a new program** or **significantly change an existing program**.

**Primary planning document** of a  
Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion  
of **risk**.

Explains how the entity’s **performance** will be **measured** and **assessed**.

Annual Performance Statement (October following year) *Entity based*

Included in the Commonwealth entity’s Annual Report. Focuses on **recent  
performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity’s  
performance results**.

Contents

[Portfolio Overview 1](#_Toc117345148)

[Entity resources and planned performance 19](#_Toc117345149)

[Department of Infrastructure, Transport, Regional Development, Communications and the Arts 21](#_Toc117345150)

[Australia Council 107](#_Toc117345151)

[Australian Broadcasting Corporation 127](#_Toc117345152)

[Australian Communications and Media Authority 147](#_Toc117345153)

[Australian Film, Television and Radio School 175](#_Toc117345154)

[Australian Maritime Safety Authority 195](#_Toc117345155)

[Australian National Maritime Museum 219](#_Toc117345156)

[Australian Transport Safety Bureau 237](#_Toc117345157)

[Civil Aviation Safety Authority 257](#_Toc117345158)

[Infrastructure Australia 279](#_Toc117345159)

[National Archives of Australia 297](#_Toc117345160)

[National Capital Authority 317](#_Toc117345161)

[National Faster Rail Agency 343](#_Toc117345162)

[National Film and Sound Archive of Australia 357](#_Toc117345163)

[National Gallery of Australia 375](#_Toc117345164)

[National Library of Australia 399](#_Toc117345165)

[National Museum of Australia 417](#_Toc117345166)

[National Portrait Gallery of Australia 435](#_Toc117345167)

[National Transport Commission 453](#_Toc117345168)

[Northern Australia Infrastructure Facility 471](#_Toc117345169)

[Old Parliament House 491](#_Toc117345170)

[Screen Australia 509](#_Toc117345171)

[Special Broadcasting Service Corporation 529](#_Toc117345172)

[Portfolio Glossary 549](#_Toc117345173)

[Acronyms 557](#_Toc117345174)

Portfolio Overview

Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio Overview

Ministers and portfolio responsibilities

There are seven Ministers with responsibility for the Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio:

* The Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government
* The Hon Michelle Rowland MP, Minister for Communications
* The Hon Tony Burke MP, Minister for the Arts
* The Hon Madeleine King MP, Minister for Northern Australia
* The Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories
* Senator the Hon Carol Brown, Assistant Minister for Infrastructure and Transport
* Senator the Hon Anthony Chisholm, Assistant Minister for Regional Development

The following changes have occurred to the Portfolio as a result of the Administrative Arrangement Order amendments agreed on 23 June 2022:

* From 1 July 2022, the name of the Department was changed from the Department of Infrastructure, Transport, Regional Development and Communications to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department).
* Old Parliament House was transferred to the Portfolio from the Prime Minister and Cabinet Portfolio.
* National Archives of Australia was transferred to the Portfolio from the Attorney-General’s Portfolio.
* The Copyright function was transferred from the Department to the Attorney-General’s Department.
* Water functions were transferred from the Department to the Department of Climate Change, Energy, the Environment and Water.
* North Queensland Water Infrastructure Authority was transferred from the Portfolio to the Climate Change, Energy, the Environment and Water Portfolio.

The Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio comprises of the Department and 30 other entities with key responsibilities as outlined below:

* **Department of Infrastructure, Transport, Regional Development, Communications and the Arts**—The Department is responsible for the design and implementation of the Australian Government’s infrastructure, transport, regional development, communications and arts policies and programs. The Department works to: improve major transport and digital infrastructure across Australia; support an efficient, sustainable, competitive, safe, accessible and secure transport system; improve living standards and facilitate economic growth in our cities and regions including northern Australia; support regional growth and resilience through connectivity, reliability and security for agricultural and other primary industry users; provide good governance frameworks and services to support communities in the territories; enable people in Australia to connect to effective, safe communications services and enabling investment in communications, technologies and infrastructure, for inclusiveness and sustainable economic growth; and support sustainable and inclusive creative and cultural sectors, and protecting and promoting Australian content and culture.
* **Airservices Australia**—Airservices Australia is a corporate Commonwealth entity, responsible for providing facilities and services for the safety, regularity and efficiency of air navigation within Australian-administered airspace. This includes providing air traffic services, aviation rescue fire-fighting services, aeronautical information, radio navigation and telecommunications services.
* **Australia Council (the Council)** — The Council is the Australian Government’s principal arts investment, development, funding and advisory body with a purpose to champion and invest in arts and creativity to benefit all Australians. The Council has a national leadership role in supporting and building Australia’s arts ecology by fostering excellence in the arts, increasing national and international engagement with Australian creative work, and advocating for the social, cultural and economic value of arts and creativity.
* **Australian Broadcasting Corporation (ABC)**—The ABC is a national broadcaster. It provides programming that informs, educates and entertains, and contributes to and reflects Australia’s national identity, including delivering such programming to overseas audiences. It encourages cultural diversity, fosters public debate, engages directly with local communities, and fosters the creative industries, music and the arts. The ABC is an integral part of the Australian media, providing radio, television and digital media services to all Australians, including independent news and information services.
* **Australian Communications and Media Authority (ACMA)**—ACMA is responsible for regulating in accordance with legislation related to broadcasting, radiocommunications, telecommunications and online content. ACMA works with all stakeholders to maximise the public benefit, including the extent to which the regulatory framework addresses the broad concerns of the community, meets the needs of industry, and maintains community and national interest safeguards.
* **Australian Film, Television and Radio School (AFTRS**)—AFTRS is the national institution for specialist education, training and research for screen and broadcast industries. AFTRS works hand-in-hand with the screen and broadcast industries to provide Australians with the highest level of screen and broadcast education, training and research so that Australian stories and culture thrive at home and around the world.
* **Australian Maritime Safety Authority (AMSA)**—AMSA is responsible for the maritime safety of international shipping and domestic commercial vessels, protection of the marine environment from ship-sourced pollution and other environmental damage caused by shipping, and search and rescue nationally.
* **Australian National Maritime Museum (ANMM)**— The ANMM is responsible for leading the promotion and conservation of Australia’s maritime heritage and culture. This is done through: developing and sharing its collections, knowledge and expertise; motivating learning through research, educational programs and products; supporting community participation to retain Australia’s maritime heritage; and exploring contemporary issues of public interest and maritime relevance.
* **Australian Postal Corporation (Australia Post)**—Australia Post is a Government Business Enterprise, wholly owned by the Australian Government. It provides a letter delivery service to all people in Australia, and a range of parcel, logistics and other services.
* **Australian Rail Track Corporation Limited (ARTC)**—The ARTC is a Government Business Enterprise, wholly owned by the Australian Government. It was established in 1998, and manages and operates more than 8,500 kilometres of the national rail network across five states. ARTC is also responsible for the delivery of the Inland Rail program.
* **Australian Transport Safety Bureau (ATSB)**—The purpose of the ATSB is to improve the safety of, and public confidence in, aviation, rail and marine transport. The ATSB conducts independent investigations of transport accidents and other safety occurrences, undertakes safety data recording, analysis and research, and influences safety action.
* **Bundanon Trust**—Bundanon Trust cares for the Boyd art collection and supports arts practice and engagement with the arts through its Art Museum and its residency, learning, research and performance programs. In preserving the natural and cultural heritage of its site, Bundanon Trust promotes the value of landscape in all our lives.
* **Civil Aviation Safety Authority (CASA)**—CASA has the function of conducting the safety regulation of the civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. While safety regulation of civil aviation remains its primary role, CASA also performs other safety-related and associated functions. CASA also has responsibility for airspace regulation.
* **Creative Partnerships Australia** —Creative Partnerships Australia creates a culture of private sector support for the arts. It aims to grow the culture of giving, investment, partnership and volunteering, bringing donors, businesses, artists and arts organisations together to foster a more sustainable and vibrant arts sector for the benefit of all Australians.
* **Infrastructure Australia (IA)**—IA’s primary role is to support the Australian Government’s plan to build a strong, resilient and prosperous economy through the provision of high quality independent advice concerning nationally significant infrastructure matters.
* **National Archives of Australia (National Archives)** – The National Archives provides leadership in best practice management of the official record of the Commonwealth, and ensures that Australian Government information of enduring significance is secured, preserved and made available to government agencies, researchers and the community. The National Archives contributes to and works collaboratively with other national collecting institutions to protect and promote Australian content and culture. The National Archives has an additional responsibility to provide a general right of access to Commonwealth records under the *Archives Act 1983.*
* **National Capital Authority (NCA)**—The NCA performs the role of trustee and manager of areas in Canberra and the Australian Capital Territory that are designated as National Land for the special purpose of Canberra as the National Capital. The NCA’s statutory function is to manage the Australian Government’s interest in the strategic planning, promotion, development and enhancement of Canberra as the National Capital.
* **National Faster Rail Agency (NFRA)**— The NFRA is committed to planning and advising the Australian Government on faster rail opportunities to support regional economic growth and enable more people to access employment, affordable housing and social opportunities. This will be achieved by working closely with state and territory governments and private sector proponents to investigate opportunities for faster, fast and high speed rail to deliver higher average speeds and lower travel times on strategic corridors between capital cities and key regional centres.
* **National Film and Sound Archive of Australia (NFSA)**—The NFSA is Australia’s premier audiovisual archive. It collects and preserves significant Australian film, recorded sound, broadcast works and new media, and shares the collection with audiences across Australia and overseas.
* **National Gallery of Australia (the National Gallery)**—The purpose of the National Gallery is to: develop and maintain a national collection of works of art; exhibit, or make available for exhibition by others, works of art from the national collection or works of art that are otherwise in the possession of the National Gallery; and to make the most advantageous use of the national collection in the national interest.
* **National Intermodal Corporation Limited (National Intermodal)** — National Intermodal is a Government Business Enterprise wholly owned by the Australian Government. It has been established to facilitate the development of intermodal freight terminals.
* **National Library of Australia (NLA)**—The NLA ensures that documentary resources of national significance relating to Australia and the Australian people, as well as significant non-Australian library materials, are collected, preserved and made accessible either through the Library or through collaborative arrangements with other libraries.
* **National Museum of Australia (NMA)**—The NMA brings to life the rich and diverse stories of the nation through researching, developing, preserving, digitising and exhibiting a significant national collection, and creating programs and partnerships for national and international audiences.
* **National Portrait Gallery of Australia (NPGA)**—The purpose of the NPGA is to develop, preserve, maintain and promote a national collection of portraits and other works of art. It also develops and engages a national audience for the collection, exhibitions, education, research, publications, and public and online programs.
* **National Transport Commission (NTC)**—The NTC leads national land transport reform in support of Australian governments to improve safety, productivity, environmental outcomes and regulatory efficiency relating to road, rail and intermodal transport.
* **NBN Co Limited (NBN Co)**—NBN Co is a Government Business Enterprise, wholly owned by the Australian Government. It is supporting the transition of Australia to a digital future by operating the National Broadband Network, a high-speed, wholesale local access broadband network. NBN Co’s purpose is to lift the digital capacity of Australia, allowing all Australians to have access to fast and reliable broadband.
* **Northern Australia Infrastructure Facility (NAIF)**— NAIF provides financial assistance by way of debt, equity or alternative financing mechanisms to infrastructure projects that will support economic growth and stimulate population growth in northern Australia. NAIF is able to finance a wide range of infrastructure assets that facilitate the establishment or enhancement of business activity or increase economic activity in the region.
* Old Parliament House (OPH) — OPH is a corporate Commonwealth entity. It was the home of the Federal Parliament from 1927 to 1988 and is an icon of national significance. It now houses the Museum of Australian Democracy, which provides dynamic exhibitions, events, engagement and education programs, to explore Australia’s democratic traditions and the factors and people that shaped that journey and improve understanding of democracy and the skills required to participate in it.
* **Screen Australia**— Screen Australia works to support bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry. Screen Australia co-finances its projects with private financing sources.
* **Special Broadcasting Service Corporation (SBS)**— SBS is a national broadcaster. It provides multicultural and multilingual services that inform, educate and entertain all Australians. Its mission is to contribute to a more cohesive, equitable and harmonious Australia through its television, radio and digital media services.
* **WSA Co Limited (WSA Co)**— WSA Co is an unlisted public company limited by shares, and a Government Business Enterprise, wholly owned by the Australian Government. It was established in 2017 to develop and operate the Western Sydney International (Nancy-Bird Walton) Airport at Badgerys Creek. WSA Co is required to execute its responsibilities with the Commonwealth in order to achieve operational readiness of the Airport by the end of 2026.

A summary of the Portfolio structure is at Figure 1. Further detail about the responsibilities of each agency appears in individual agency chapters.

Airservices Australia; Australia Post; ARTC; Bundanon Trust; Creative Partnerships Australia; National Intermodal; NBN Co; and WSA Co do not appear in the October 2022‑23 Portfolio Budget Statements as these entities do not receive direct funding through the annual appropriation acts.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in the October Budget Paper No. 4: Agency Resourcing.

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes**

|  |
| --- |
| **Minister for Infrastructure, Transport, Regional Development and  Local Government**  The Hon Catherine King MP |

|  |
| --- |
| **Minister for Communications**  The Hon Michelle Rowland MP |

|  |
| --- |
| **Minister for the Arts**  The Hon Tony Burke MP |

|  |
| --- |
| **Minister for Northern Australia**  The Hon Madeleine King MP |

|  |
| --- |
| **Minister for Regional Development, Local Government and Territories**  The Hon Kristy McBain MP |

|  |
| --- |
| **Assistant Minister for Infrastructure and Transport**  Senator the Hon Carol Brown |

|  |
| --- |
| **Assistant Minister for Regional Development**  Senator the Hon Anthony Chisholm |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **Department of Infrastructure, Transport, Regional Development, Communications and the Arts**  Secretary: Mr Jim Betts  **Outcome 1:**  Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure  **Outcome 2:**  An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations  **Outcome 3:**  Strengthening the sustainability, capacity and diversity of Australia’s cities and regions including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance  **Outcome 4:**  Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories  **Outcome 5:**  Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services  **Outcome 6:**  Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression |

|  |
| --- |
| **Airservices Australia**  Chair: Mr John Weber  Chief Executive Officer: Mr Jason Harfield  **Mission:**  Provide air navigation and aviation rescue fire-fighting services for the aviation industry and community |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **Australia Council**  Chair: Mr Robert Morgan  Chief Executive Officer: Mr Adrian Collette AM  **Outcome 1:**  Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad |

|  |
| --- |
| **Australian Broadcasting Corporation**  Chair: Ms Ita Buttrose AC OBE  Managing Director: Mr David Anderson  **Outcome 1:**  Informed, educated and entertained audiences—throughout Australia and overseas—through innovative and comprehensive media and related services |

|  |
| --- |
| **Australian Communications and Media Authority**  Chair and Agency Head: Ms Nerida O’Loughlin PSM  Deputy Chair and Chief Executive Officer: Ms Creina Chapman  **Outcome 1:**  A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice |

|  |
| --- |
| **Australian Film, Television and Radio School**  Chair: Mr Russel Howcroft  Chief Executive Officer: Dr Nell Greenwood  **Outcome 1:**  Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training and research |

|  |
| --- |
| **Australian Maritime Safety Authority**  Chair: Mr Stuart Richey AM  Chief Executive Officer: Mr Mick Kinley  **Outcome 1:**  Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **Australian National Maritime Museum**  Chair: John Mullen AM  Director and Chief Executive Officer: Ms Daryl Karp AM  **Outcome 1:**  Increased knowledge, appreciation and enjoyment of Australia’s maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events |

|  |
| --- |
| **Australian Postal Corporation**  Chairperson: Mr Lucio Di Bartolomeo  Chief Executive Officer and Managing Director: Mr Paul Graham  **Mission:**  Australia Post is required by law to provide a universal letter service which is reasonably accessible to all people in Australia and, in addition, to provide a standard letter service at a uniform price from anywhere to anywhere in the country |

|  |
| --- |
| **Australian Rail Track Corporation Limited**  Chair: The Hon Warren Truss AC  Managing Director and Chief Executive Officer: Mr Mark Campbell  **Mission:**  To manage the seamless, safe transit of trains across the national rail network through the building, maintenance and operating of rail infrastructure including the inland rail route between Melbourne and Brisbane |

|  |
| --- |
| **Australian Transport Safety Bureau**  Chief Commissioner and Chief Executive Officer: Mr Angus Mitchell  **Outcome 1:**  Improved transport safety in Australia including through: independent 'no blame' investigation of transport accidents and other safety occurrences; safety data recording, analysis and research; and influencing safety action |

|  |
| --- |
| **Bundanon Trust**  Acting Chair: Mr Samuel Edwards  Chief Executive Officer: Ms Rachel Kent  **Mission:**  Bundanon Trust supports arts practice and engagement with the arts through its residency, education, exhibition and performance programs. In preserving the natural and cultural heritage of its site Bundanon promotes the value of landscape in all our lives |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **Civil Aviation Safety Authority**  Chair: Air Chief Marshal (Ret) Mark Binskin AC  Chief Executive Officer: Ms Pip Spence PSM  **Outcome 1:**  Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training |

|  |
| --- |
| **Creative Partnerships Australia**  Chair: Ms Catherine Walters AM  Chief Executive Officer: Ms Fiona Menzies  **Mission:**  To foster a culture of private sector support for the arts in Australia; to grow a more sustainable, vibrant and ambitious cultural sector for the benefit of all Australians |

|  |
| --- |
| **Infrastructure Australia**  Chair: Vacant  Acting Chief Executive Officer: Adam Copp  **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 |

|  |
| --- |
| **National Archives of Australia**  Chair Dr Denver Beanland  Director-General: Mr Simon Froude  **Outcome 1:**  To promote the creation, management and preservation of authentic, reliable and usable Commonwealth records and to facilitate Australians’ access to the archival resources of the Commonwealth. |

|  |
| --- |
| **National Capital Authority**  Chair: Mr Terry Weber  Chief Executive Officer: Ms Sally Barnes  **Outcome 1:**  To shape Canberra as a capital that all Australians can be proud of by ensuring it is well planned, managed and promoted, consistent with its enduring national significance |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **National Faster Rail Agency**  Chief Executive Officer: Mr Barry Broe  **Outcome 1:**  Improved rail infrastructure between our capital cities and their surrounding regional centres by providing coordination, strategic advice and the identification of investments that improve reliability and travel speeds |

|  |
| --- |
| **National Film and Sound Archive of Australia**  Chair: Ms Caroline Elliott  Chief Executive Officer: Patrick McIntyre  **Outcome 1:**  Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance |

|  |
| --- |
| **National Gallery of Australia**  Chair: Mr Ryan Stokes AO  Chief Executive Officer: Mr Nick Mitzevich  **Outcome 1:**  Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally |

|  |
| --- |
| **National Intermodal Corporation Limited**  Chair: Ms Erin Flaherty  Chief Executive Officer: Mr James Baulderstone  **Mission:**  To facilitate the development and operation of intermodal freight terminals |

|  |
| --- |
| **National Library of Australia**  Chair: The Hon Dr Brett Mason  Director-General: Dr Marie-Louise Ayres  **Outcome 1:**  Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **National Museum of Australia**  Acting Chair: Mr Benedict Maguire  Managing Director and CEO: Dr Mathew Trinca AM  **Outcome 1:**  Increased awareness and understanding of Australia’s history and culture by managing the National Museum’s collections and providing access through public programs and exhibitions |

|  |
| --- |
| **National Portrait Gallery of Australia**  Chair: Mrs Penny Fowler  Acting Director: Mr Trent Birkett  **Outcome 1:**  Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection |

|  |
| --- |
| **National Transport Commission**  Chair and Ordinary Member: Ms Carolyn Walsh  Chief Executive Officer: Dr Gillian Miles  **Outcome 1:**  Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport |

|  |
| --- |
| **NBN Co Limited**  Chair: Ms Kate McKenzie  Chief Executive Officer: Mr Stephen Rue  **Mission:**  To lift the digital capability of Australia, allowing Australians to have access to a fast broadband network, at least cost to taxpayers |

|  |
| --- |
| **Northern Australia Infrastructure Facility**  Chair: Ms Tracey Hayes  Chief Executive Officer: Mr Craig Doyle  **Outcome 1:**  Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the State and Territory Governments |

**Figure 1: Infrastructure, Transport, Regional Development, Communications and the Arts portfolio structure and outcomes (continued)**

|  |
| --- |
| **Old Parliament House**  Chair: The Hon Nick Minchin AO  Executive Director and CEO: Mr Andrew Harper  **Outcome 1:**  An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs |

|  |
| --- |
| **Screen Australia**  Chair: Mr Nicholas Moore  Chief Executive Officer: Mr Graeme Mason  **Outcome 1:**  Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product |

|  |
| --- |
| **Special Broadcasting Service Corporation**  Chair: Mr George Savvides AM  Chief Executive Officer: Mr James Taylor  **Outcome 1:**  Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia’s multicultural society |

|  |
| --- |
| **WSA Co Limited**  Chair: Mr Paul O’Sullivan  Chief Executive Officer: Mr Simon Hickey  **Mission:**  Establish and build the Western Sydney Airport at Badgery’s Creek, in south-western Sydney |

Entity resources and planned performance

[Department of Infrastructure, Transport, Regional Development, Communications and the Arts 25](#_Toc117326636)

[Australia Council 111](#_Toc117326637)

[Australian Broadcasting Corporation 131](#_Toc117326638)

[Australian Communications and Media Authority 151](#_Toc117326639)

[Australian Film, Television and Radio School 179](#_Toc117326640)

[Australian Maritime Safety Authority 199](#_Toc117326641)

[Australian National Maritime Museum 223](#_Toc117326642)

[Australian Transport Safety Bureau 241](#_Toc117326643)

[Civil Aviation Safety Authority 261](#_Toc117326644)

[Infrastructure Australia 283](#_Toc117326645)

[National Archives of Australia 301](#_Toc117326646)

[National Capital Authority 321](#_Toc117326647)

[National Faster Rail Agency 347](#_Toc117326648)

[National Film and Sound Archive of Australia 361](#_Toc117326649)

[National Gallery of Australia 379](#_Toc117326650)

[National Library of Australia 403](#_Toc117326651)

[National Museum of Australia 421](#_Toc117326652)

[National Portrait Gallery of Australia 439](#_Toc117326653)

[National Transport Commission 457](#_Toc117326654)

[Northern Australia Infrastructure Facility 475](#_Toc117326655)

[Old Parliament House 495](#_Toc117326656)

[Screen Australia 513](#_Toc117326657)

[Special Broadcasting Service Corporation 533](#_Toc117326658)

[Portfolio Glossary 549](#_Toc117326659)

[Acronyms 557](#_Toc117326660)

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Entity resources and planned performance

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

[Section 1: Entity overview and resources 25](#_Toc117242342)

[1.1 Strategic direction statement 25](#_Toc117242343)

[1.2 Entity resource statement 27](#_Toc117242344)

[1.3 Budget measures 31](#_Toc117242345)

[Section 2: Outcomes and planned performance 34](#_Toc117242346)

[2.1 Budgeted expenses and performance for Outcome 1 35](#_Toc117242347)

[2.2 Budgeted expenses and performance for Outcome 2 41](#_Toc117242348)

[2.3 Budgeted expenses and performance for Outcome 3 56](#_Toc117242349)

[2.4 Budgeted expenses and performance for Outcome 4 68](#_Toc117242350)

[2.5 Budgeted expenses and performance for Outcome 5 72](#_Toc117242351)

[2.6 Budgeted expenses and performance for Outcome 6 84](#_Toc117242352)

[Section 3: Budgeted financial statements 94](#_Toc117242353)

[3.1 Budgeted financial statements 94](#_Toc117242354)

[3.2 Budgeted financial statements tables 95](#_Toc117242355)

# Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Section 1: Entity overview and resources

1.1 Strategic direction statement

The work of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts touches the lives of every Australian, every day. The Department has a national footprint with our people working in Canberra (Ngunnawal Country) and across all States and Territories. We have a truly national perspective in our ambition to connect Australians, enrich our communities and empower our regions.

The PB Statements showcase how we plan to deliver across one of the most diverse portfolios in the Australian Public Service. We are supporting the Australian Government’s reform and recovery agenda. We will deliver through respectful and meaningful engagement across all levels of government, with our seven Ministers, 30 portfolio entities and key industry stakeholders.

Our nation building projects support economic and social development, disaster resilience and recovery, and create long-term productivity benefits for producers, businesses and communities. The Department’s work with each transport sector connects Australians to the world and each other. To set the scene for future growth and development we will deliver on the government’s commitments to an Aviation White Paper and a Maritime Strategic Fleet.

Our portfolio will play a significant role in supporting the Government to reach its emissions reduction targets and achieve net zero, including reducing emissions in the transport sector, increasing resilience of our infrastructure and supporting our regions in the transition from fossil fuels.

Our work across the cities, rural and regional areas and Australia’s territories connects and empowers communities, improves productivity and seeks to lift living standards. We will continue to coordinate and implement policies that benefit Australians wherever they live and support sustainable economic development and provide a foundation for resilient communities.

Communications service accessibility is essential to an inclusive and prosperous society. We will continue to work towards affordable and reliable communications and postal services across the country through appropriate regulatory reform as well as investment in digital connectivity in regional and rural Australia including overseeing $480 million to improve NBN fixed wireless services. The availability of digital communication services continues to disrupt and challenge Australia’s media funding arrangements for the national broadcasters.

We are supporting the government to establish a comprehensive roadmap that will guide the creative sectors through the development of an updated National Cultural Policy that celebrates and invests in our unique arts industries and cultural institutions. This will require dialogue with our First Nations peoples to build policy and programs that are respectful of First Nations’ cultural heritage, art and languages.

On 1 July 2022, the National Water Grid Authority transferred to the Department of Climate Change, Energy, the Environment and Water, and the copyright function transferred to the Attorney-General’s Department. As a result of the National Water Grid Authority transfer, the Department no longer reports on the previous water infrastructure purpose.

We will monitor our progress, measure and deliver through our five purposes, which are:

* **Transport Connectivity**  
  Supporting an efficient, sustainable, competitive, accessible, safe and secure transport system and supporting jobs through infrastructure investment
* **Regional Development, northern Australia and Cities**  
  Improving living standards and facilitating economic growth in cities and regions including northern Australia
* **Territories**  
  Providing governance frameworks and services to support communities in the territories
* **Communications Connectivity**  
  Enabling people in Australia to connect to effective, safe communications services. Enabling investment in communications technologies, for inclusiveness and sustainable economic growth
* **Creativity and culture**  
  Supporting sustainable and inclusive creative and cultural sectors, and protecting and promoting Australian content and culture.

We work with people across the Department and our portfolio entities to deliver our programs, projects and services in the major infrastructure, transport, communications and arts sectors, supporting our regions, cities and territories.

For more information on our strategic direction and performance, please refer to our Corporate Plan, online at: https://www.infrastructure.gov.au/department/about/corporate-plan.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the Department 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 administered (on behalf of the Government or the public) and departmental (for the Department’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the *October* *Budget Paper No. 4 – Agency Resourcing*.

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

Table 1.1: Department of Infrastructure, Transport, Regional Development, Communications and the Arts resource statement — Budget estimates for 2022‑23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23(a) Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (b) |  |  |
| Prior year appropriations available (c) | 163,881 | 113,792 |
| Departmental appropriation (d) | 436,242 | 401,210 |
| s74 external revenue (e) | 21,934 | 8,284 |
| Departmental capital budget (f) | 20,989 | 12,456 |
| Total departmental annual appropriations | 643,046 | 535,742 |
| Special accounts |  |  |
| Opening balance | 6,591 | 7,125 |
| Appropriation receipts | 4,046 | 4,941 |
| Non-appropriation receipts | 5,038 | 3,829 |
| Total special accounts | 15,675 | 15,895 |
| less departmental appropriations drawn from annual/special appropriations and credited to special accounts | (4,046) | (4,941) |
| **Total departmental resourcing** | **654,675** | **546,696** |

Table 1.1: Department of Infrastructure, Transport, Regional Development, Communications and the Arts resource statement — Budget estimates for 2022‑23 as at October Budget 2022 (continued)

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23(a) Estimate  $'000 |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (b) |  |  |
| Prior year appropriations available (c) | 2,341,226 | 2,073,563 |
| Outcome 1 (c) | 346,788 | 225,435 |
| Outcome 2 (c) | 1,104,484 | 336,927 |
| Outcome 3 (c) | 637,924 | 784,112 |
| Outcome 4 (c) | 175,709 | 245,704 |
| Outcome 5 (c) | 309,369 | 310,322 |
| Outcome 6 (c) | 430,263 | 294,977 |
| Administered capital budget (g) | 17,758 | 39,244 |
| Payments to corporate entities (h) | 2,118,140 | 2,160,012 |
| Annual appropriations - other services - non-operating (i) |  |  |
| Prior year appropriations available (c) | 2,370,433 | 3,349,454 |
| Administered assets and liabilities (i) | 2,065,192 | 3,829,129 |
| Payments to corporate entities (h) | 75,520 | 43,371 |
| Annual appropriations - other services - specific payments to States, ACT, NT and local government (i) |  |  |
| Outcome 1 (j) | 499,495 | 490,881 |
| Outcome 3 (k) | 991,227 | 669,330 |
| Total administered annual appropriations | 13,483,528 | 14,852,460 |
| Total administered special appropriations (l) | 4,162,370 | 1,809,867 |
| Special accounts (l)(m) |  |  |
| Opening balance | 41,785 | 49,520 |
| Appropriation receipts (n) | 95,954 | 95,954 |
| Non-appropriation receipts | 260,282 | 260,728 |
| Total special accounts receipts | 398,021 | 406,202 |
| less administered appropriations drawn from annual/ special appropriations and credited to special accounts | (338,194) | (336,748) |
| less payments to corporate entities from annual/ special appropriations | (2,412,549) | (2,439,700) |
| **Total administered resourcing** | **15,293,176** | **14,292,081** |
| **Total resourcing for the Department** | **15,947,851** | **14,838,778** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 1,716 | 1,772 |

Table 1.1: Department of Infrastructure, Transport, Regional Development, Communications and the Arts resource statement — Budget estimates for 2022‑23 as at October Budget 2022 (continued)

Third party payments from and on behalf of other entities

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 (a) Estimate  $'000 |
| Receipts received from other entities for the provision of services (disclosed above in s74 external revenue section above) |  |  |
| Australian Transport Safety Bureau | 315 | 315 |
| Payments made by other entities on behalf of the Department (disclosed above within administered appropriations) |  |  |
| Services Australia (o) | 208,172 | 212,522 |
| Payments made to corporate entities within the portfolio |  |  |
| Australia Council | 219,794 | 220,531 |
| Australian Broadcasting Corporation | 1,070,097 | 1,107,158 |
| Australian Film, Television and Radio School | 22,738 | 22,997 |
| Australian Maritime Safety Authority | 223,328 | 240,099 |
| Australian National Maritime Museum | 25,820 | 25,734 |
| Civil Aviation Safety Authority | 206,727 | 181,556 |
| Infrastructure Australia | 12,853 | 12,733 |
| National Film and Sound Archive of Australia | 32,353 | 38,107 |
| National Gallery of Australia | 107,407 | 65,088 |
| National Library of Australia | 67,059 | 70,639 |
| National Museum of Australia | 43,307 | 52,860 |
| National Portrait Gallery of Australia | 12,668 | 12,809 |
| National Transport Commission | 4,684 | 4,427 |
| Northern Australia Infrastructure Facility | 14,227 | 20,939 |
| Old Parliament House (p) | - | 19,384 |
| Screen Australia | 39,466 | 27,834 |
| Special Broadcasting Service Corporation | 310,021 | 316,805 |
| **Total payments to corporate entities** | **2,412,549** | **2,439,700** |

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.

1. Annual appropriation amounts appearing for 2022-23 reflect Appropriation Bills (No.1) and (No. 2) 2022‑23.
2. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and *Supply Act (No. 1) 2022-23*.
3. Excludes amounts subject to administrative quarantine by the Department of Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
4. Excludes Departmental Capital Budget (DCB).
5. Estimated External Revenue receipts under section 74 of the PGPA Act.
6. Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
7. Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
8. 'Corporate entities' are Corporate Commonwealth Entities and Commonwealth Companies as defined under the PGPA Act.
9. Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and *Supply Act (No. 2) 2022-23*.
10. Relates to appropriations sought for payment to the states, ACT, NT and local governments in Appropriation Bill (No. 2) 2022-23. Outcome 1 – Program 1.1: Infrastructure Investment includes the Roads to Recovery program under the Roads to Recovery Funding Conditions 2014. Information on the terms and conditions can be found in the determination, Roads to Recovery funding Conditions 2014 at: <https://investment.infrastructure.gov.au/files/roads_to_recovery_funding_conditions/R2R_Funding> Conditions\_November\_2019.pdf. For state splits please refer to *Budget Paper 3 2022-23* at https://budget.gov.au/index.htm.
11. Relates to appropriations sought for payment to the states, ACT, NT and local governments in Appropriation Bill (No. 2) 2022-23. Outcome 3 – Program 3.1: Regional Development includes the Drought Communities Programme and Program 3.2: Local Government includes Local Roads and Community Infrastructure. For state splits please refer *Budget Paper 3 2022-23* at: https://budget.gov.au/index.htm.
12. For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 – Agency* Resourcing. Please also see Section 2 for further information on outcome and program expenses broken down by various funding sources, for example annual appropriations, special appropriations and special accounts.
13. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts.
14. Amounts credited to the special accounts from annual and special appropriations.
15. Payments relate to the Tasmanian Freight Equalisation Scheme and the Bass Strait Passenger Vehicle Equalisation Scheme administered items.
16. This reflects the transfer of responsibility for the Old Parliament House from the Prime Minister and Cabinet Portfolio to the Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio resulting from the Administrative Arrangement Orders of 23 June 2022.

1.3 Budget measures

Budget measures in Part 1 relating to the Department are detailed in the October Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Infrastructure, Transport, Regional Development, Communications and the Arts October Budget 2022-23 measures

**Part 1: Measures announced since the March Budget 2022-23**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| Better Connectivity Plan for Regional and Rural Australia | 5.1, 5.2 |  |  |  |  |  |
| Administered payments |  | - | (143,763) | 35,223 | 52,738 | (41,275) |
| Departmental payments |  | - | (1,981) | (943) | (75) | (1,209) |
| **Total** |  | **-** | **(145,744)** | **34,280** | **52,663** | **(42,484)** |
| Better Funded National Broadcasters (a) | 5.2 |  |  |  |  |  |
| Departmental payments |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Brisbane 2032 Olympic and Paralympic Games – departmental resourcing | 3.5 |  |  |  |  |  |
| Departmental payments |  | - | 803 | 1,823 | 1,584 | 1,598 |
| **Total** |  | **-** | **803** | **1,823** | **1,584** | **1,598** |
| Building a Better Future through considered Infrastructure Investment | 1.1,1.2, 3.1 |  |  |  |  |  |
| Administered payments |  | - | 15,859 | 80,810 | 29,059 | 254,095 |
| Departmental payments |  | **-** | 101 | - | - | - |
| **Total** |  | **-** | **15,960** | **80,810** | **29,059** | **254,095** |
| Government Spending Audit – Agriculture, Fisheries and Forestry – efficiencies | 3.1 |  |  |  |  |  |
| Administered payments |  | - | (11,800) | (11,404) | (3,405) | (3,408) |
| **Total** |  | **-** | **(11,800)** | **(11,404)** | **(3,405)** | **(3,408)** |
| Government Spending Audit – Climate Change, Energy, the Environment and Water – efficiencies | 3.1 |  |  |  |  |  |
| Administered payments |  | - | (6,096) | (7,096) | (9,000) | (8,061) |
| **Total** |  | **-** | **(6,096)** | **(7,096)** | **(9,000)** | **(8,061)** |
| Heavy Vehicle Road User Charge – increase | 2.4 |  |  |  |  |  |
| Departmental payments |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Improving the NBN | 5.1, 5.2 |  |  |  |  |  |
| Administered payments |  | - | 4,500 | - | - | - |
| Departmental payments |  | - | 152 | 18 | 18 | - |
| **Total** |  | **-** | **4,652** | **18** | **18** | **-** |
| National Water Grid – delivering commitments | 3.1 |  |  |  |  |  |
| Administered payments |  | - | (5,000) | (20,500) | (6,500) | - |
| **Total** |  | **-** | **(5,000)** | **(20,500)** | **(6,500)** | **-** |
| Pacific Security and Engagement Initiatives (b) | 5.2 |  |  |  |  |  |
| Departmental payments |  | - | nfp | nfp | nfp | nfp |
| **Total** |  | **-** | **nfp** | **nfp** | **nfp** | **nfp** |

Table 1.2: Department of Infrastructure, Transport, Regional Development, Communications and the Arts October Budget 2022-23 measures

**Part 1: Measures announced since the March Budget 2022-23 (continued)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Program** | **2021-22 $'000** | **2022-23 $'000** | **2023-24 $'000** | **2024-25 $'000** | **2025-26 $'000** |
| Powering Australia – Driving the Nation Fund – establishment | 2.1, 2.4 |  |  |  |  |  |
| Administered payments |  | - | 500 | 500 | 3,500 | 3,500 |
| Departmental payments |  | - | (300) | (200) | - | - |
| **Total** |  | **-** | **200** | **300** | **3,500** | **3,500** |
| Responsible Investment to Grow Our Regions | 3.1, 3.5, 5.1, 5.2 |  |  |  |  |  |
| Administered payments |  | - | (938,007) | (599,317) | (274,783) | 93,700 |
| Departmental payments |  | - | (974) | 5,478 | 6,141 | 771 |
| **Total** |  | **-** | **(938,981)** | **(593,839)** | **(268,642)** | **94,471** |
| Safe Kids are eSmart Kids | 5.1 |  |  |  |  |  |
| Administered payments |  | - | - | 1,883 | 2,078 | 2,039 |
| **Total** |  | **-** | **-** | **1,883** | **2,078** | **2,039** |
| Strategic Fleet Taskforce – establishment | 2.4 |  |  |  |  |  |
| Departmental payments |  | - | 6,291 | - | - | - |
| **Total** |  | **-** | **6,291** | **-** | **-** | **-** |
| Support for Community Sector Organisations | 2.1, 3.1, 5.1, 6.1 |  |  |  |  |  |
| Administered payments |  | - | 2,163 | 2,163 | 2,163 | 2,163 |
| **Total** |  | **-** | **2,163** | **2,163** | **2,163** | **2,163** |
| Support for the Aviation Sector | 2.3, 2.4 |  |  |  |  |  |
| Administered payments |  | - | 20,000 | 60,000 | 40,000 | - |
| Departmental payments |  | - | 3,134 | 3,907 | - | - |
| **Total** |  | **-** | **23,134** | **63,907** | **40,000** | **-** |
| Supporting Local News and CommunityBroadcasting | 5.1 |  |  |  |  |  |
| Administered payments |  | - | 15,000 | 4,000 | 4,000 | 4,000 |
| **Total** |  | **-** | **15,000** | **4,000** | **4,000** | **4,000** |
| Supporting the Arts | 6.1 |  |  |  |  |  |
| Administered payments |  | - | (5,373) | (4,491) | (4,369) | (4,211) |
| **Total** |  | **-** | **(5,373)** | **(4,491)** | **(4,369)** | **(4,211)** |

Table 1.2: Department of Infrastructure, Transport, Regional Development, Communications and the Arts October Budget 2022-23 measures

**Part 1: Measures announced since the March Budget 2022-23 (continued)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Program** | **2021-22 $'000** | **2022-23 $'000** | **2023-24 $'000** | **2024-25 $'000** | **2025-26 $'000** |
| Tourist and Heritage Operators' Rail Safety Regulation | 2.1 |  |  |  |  |  |
| Administered payments |  | - | - | 1,638 | 1,693 | 1,737 |
| **Total** |  | **-** | **-** | **1,638** | **1,693** | **1,737** |
| **Total payment measures** |  |  |  |  |  |  |
| Administered |  | - | (1,052,017) | (456,591) | (162,826) | 304,279 |
| Departmental |  | - | 7,226 | 10,083 | 7,668 | 1,160 |
| **Total** |  | **-** | **(1,044,791)** | **(446,508)** | **(155,158)** | **305,439** |

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

* + - * 1. Funding through this measure provided to Australian Broadcasting Corporation (ABC) can be found in Table 1.2 in ABC’s chapter.
        2. 'nfp' figures are not for publication due to commercial sensitivities and are not included in totals.

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 measure 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 the Department of Infrastructure, Transport, Regional Development, Communications and the Arts can be found at: (https://www.infrastructure.gov.au/department/about/corporate-plan)  The most recent annual performance statement can be found at: https://www.infrastructure.gov.au/department/media/publications/annual-reports |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure |

#### Linked programs

| **Director of National Parks** |
| --- |
| **Programs**   * Program 1.1: Parks and Reserves   **Contribution to Outcome 1 made by linked programs**  The Director of National Parks is working with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to secure the future of Jabiru by supporting the township’s transition from a reliance on mining to a tourism-based economy that leverages its proximity to the Kakadu National Park. Funding of $70 million for roads within Kakadu National Park under the Infrastructure Investment Program will complement an investment of more than $100 million by the Australian Government to improve tourism infrastructure across the park and to bolster the local economy and support Indigenous businesses and employment. |
| **The Treasury** |
| **Programs**   * Program 1.9: National Partnership Payments to the states   **Contribution to Outcome 1 made by linked programs**  The above linkage relates to National Partnership Payments which are paid through the Department of the Treasury as part of the Federation Funding Agreements Framework. |

#### Budgeted expenses for Outcome 1

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | | | 2025-26 Forward estimate $'000 | | |
| **Program 1.1: Infrastructure Investment** |  | | |  | |  |  | | |  | | |
| Administered expenses |  | | |  | |  |  | | |  | | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | 370,521 | | | 227,827 | | 50,599 | 24,542 | | | 22,382 | | |
| Other Services (Appropriation Act No. 2 and Bill No. 4) | 498,866 | | | 490,881 | | 485,306 | 499,516 | | | 499,516 | | |
| Payments to corporate entities (a) | 12,853 | | | 12,733 | | 13,110 | 13,259 | | | 13,368 | | |
| Expenses not requiring appropriation in the Budget year (b) | 48,741 | | | 12,465 | | 76,659 | 25,000 | | | - | | |
| **Total expenses for Program 1.1** | **930,981** | | | **743,906** | | **625,674** | **562,317** | | | **535,266** | | |
| **Program 1.2: Program Support for Outcome 1** | | | |  | |  | |  | | |  | | |
| Departmental expenses | | |  |  | |  | |  | | |  | | |
| Departmental appropriation | | | 68,058 | 86,666 | | 67,287 | | 59,134 | | | 59,357 | | |
| s74 external revenues (c) | | | 2,127 | - | | - | | - | | | - | | |
| Expenses not requiring appropriation in the Budget year (d) | | | 2,945 | - | | - | | - | | | - | | |
| **Total expenses for Program 1.2** | | | **73,130** | **86,666** | | **67,287** | | **59,134** | | | **59,357** | | |
| **Outcome 1 Totals by appropriation type** | |  | | |  |  | | |  | | |  | |
| Administered expenses | |  | | |  |  | | |  | | |  | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 370,521 | | | 227,827 | 50,599 | | | 24,542 | | | 22,382 | |
| Other Services (Appropriation Act No. 2 and Bill No. 4) | | 498,866 | | | 490,881 | 485,306 | | | 499,516 | | | 499,516 | |
| Payments to corporate entities (a) | | 12,853 | | | 12,733 | 13,110 | | | 13,259 | | | 13,368 | |
| Expenses not requiring appropriation in the Budget year (b) | | 48,741 | | | 12,465 | 76,659 | | | 25,000 | | | - | |
| **Total administered expenses** | | **930,981** | | | **743,906** | **625,674** | | | **562,317** | | | **535,266** | |
| Departmental expenses | |  | | |  |  | | |  | | |  | |
| Departmental appropriation | | 68,058 | | | 86,666 | 67,287 | | | 59,134 | | | 59,357 | |
| s74 external revenues (c) | | 2,127 | | | - | - | | | - | | | - | |
| Expenses not requiring appropriation in the Budget year (d) | | 2,945 | | | - | - | | | - | | | - | |
| **Total departmental expenses** | | **73,130** | | | **86,666** | **67,287** | | | **59,134** | | | **59,357** | |
| **Total expenses for Outcome 1** | | **1,004,111** | | | **830,572** | **692,961** | | | **621,451** | | | **594,623** | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Movement of administered funds between years** (e) |  |  |  |  |  |
| Program 1.1: Infrastructure Investment | (1,280) | - | 1,280 | - | - |
| **Total movement of administered funds between years** | **(1,280)** | **-** | **1,280** | **-** | **-** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 317 | 314 |

* + - * 1. Relates to appropriation for corporate entities provided through the Department.
        2. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises expenses relating to concessional loans, accruals, payments made from prior year appropriations and other non–cash expenses.
        3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
        4. Departmental ‘Expenses not requiring appropriation in the Budget year’ is made up of depreciation and amortisation expenses and expenses that are reduced by associated receipts.
        5. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.1.2: Program Components for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Components for Program 1.1: Infrastructure Investment** | | |  |  |  |
| Administered expenses |  |  |  |  |  |
| Building our Future campaign | 1,531 | - | - | - | - |
| High Speed Rail Authority - Establishment | - | 4,447 | 5,431 | 4,059 | 4,095 |
| Infrastructure Investment Program (a) |  |  |  |  |  |
| * Investment and Roads to Recovery | 401,794 | 205,468 | 117,553 | 43,999 | 16,303 |
| * Roads to Recovery | 501,941 | 493,111 | 484,210 | 500,000 | 500,000 |
| Regional Australia Level Crossing Program | 1,200 | 5,590 | 5,370 | 1,000 | 1,500 |
| Significant Projects Investment Delivery Office Specialised Advice | - | 4,180 | - | - | - |
| Supporting National Freight and Supply Chain Priorities – Inland Rail Interface Improvement Program | 11,662 | 18,377 | - | - | - |
| Payments to corporate entities (b) |  |  |  |  |  |
| * Infrastructure Australia | 12,853 | 12,733 | 13,110 | 13,259 | 13,368 |
| **Total expenses for Program 1.1** | **930,981** | **743,906** | **625,674** | **562,317** | **535,266** |

1. Excludes expenses relating to payments made to and through the states and territories by the Treasury for the Infrastructure Investment Program (Black Spots Projects, Bridges Renewal Program, Developing Northern Australia (Improving Cattle Supply Chains and Northern Australia Roads), Heavy Vehicle Safety and Productivity Program, Major Projects Business Case Fund, National Rail Program, Rail Investment Component, Road Investment Component, Roads of Strategic Importance and Urban Congestion Initiative) and Infrastructure Growth Package (New Investments and Western Sydney Infrastructure Plan) administered items.
2. Relates to appropriation for corporate entities provided through the Department.

Table 2.1.3: Performance measure for Outcome 1

Table 2.1.3 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 the October 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure | | |
| **Program 1.1** – **Infrastructure Investment**  The infrastructure investment program supports economic growth, makes travel safer, increases transport access and supports regional development. It increases the efficiency, productivity, sustainability and safety of Australia's land transport infrastructure through programs and policy to improve connectivity for communities and freight. | | |
| **Key Activities (a)** | * Deliver and manage the Infrastructure Investment Program * Lead policy (with the Department of Finance) and shape the delivery of major transport infrastructure projects (b) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Progress of land transport infrastructure investment projects up to $250 million | Target: By June 2022, projects progressed in accordance with agreed timeframes.  Target met  Actual: In 2021–22, of major projects up to $250 million, 170 projects were started and 155 were completed. |
| Progress of land transport infrastructure investment projects over $250 million | Target: By June 2022, projects progressed in accordance with agreed timeframes.  Target met  Actual: In 2021–22, of major projects over $250 million, 15 projects were started and 9 projects were completed. |
| Average time taken to prepare Infrastructure Investment Monthly Program of Works reports (c) | Target: At the end of 2021–22, 5% reduction in the average time taken to prepare reports compared to previous year.  Target met  Actual: While the Department continues to make improvements to its business and reporting processes in advance of delivery of the Reporting and Program Management System, it was not in place in 2021–22. |
| Implementation of Moorebank Intermodal Terminal | Target: Delivery milestones are met for 2021‑22.  Target met  Actual: 51% of the precinct is completed. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Implementation of Intermodal Terminal Business Cases | Target: Delivery milestones are met for 2021‑22  Target not met  Actual: Further work has been undertaken since the Victorian Government submitted the Draft Business Case, however, is yet to be finalised.  Work has progressed as expected on the Detailed Business Case for the Brisbane Inland Rail Intermodal Terminal. | |
|  | Implementation of Inland Rail (c) | Target: Delivery milestones are met for 2021‑22  Target not met  Actual: A total of 178km (more than 10%) of Inland Rail track has been constructed. | |
| Implementation of Inland Rail Interface Improvement Program (c) | Target: Completion by June 2022  Target not met  Actual: There were 38 proposals that have received support to progress through the program. Of these 38, 12 proposals were finalised by 30 June 2022. Five proposals were finalised as a pre-feasibility study, one proposal was finalised as a feasibility study and 6 proposals were finalised as a Strategic Business Case. The remaining 26 proposals are still in development. | |
| Number of Significant Projects Investment Delivery Office (SPIDO) Priority Projects available to the Australian Government for further consideration (c) | Target: By June 2022, the Australian Government has options available for consideration  Target met  Actual: The Department supported the Australian Government’s $10 million business case for the Toowoomba to Gladstone Inland Rail extension, which will unlock economic opportunities in regional Queensland, announced in September 2021. It also supported the commitment to funding and governance for critical non-transport infrastructure for the 2032 Brisbane Olympic and Paralympic Games in partnership with the Queensland Government.  The Department provided advice to government on key investment opportunities which have been considered through decision-making and budget processes including the Energy Security and Regional Development Plan, analysing projects in the Pilbara, Burdekin and Middle Arm in Darwin. | |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Expected travel time savings arising from infrastructure projects in the Infrastructure Investment Program receiving $250 million or more in Australian Government funding (c) | Target: 100% of projects for which travel time savings are a significant planned benefit  Target met  Actual: Reduced travel times were achieved. Large road projects under construction in 2021–22 are estimated to provide over $68 billion in total travel time savings across the life of the projects. | |
| Estimated number of jobs supported over the life of the projects, from infrastructure investment projects underway during the financial year (c) | Investments support a work plan in which work requirements fluctuate. While it is appropriate to monitor employment impacts, annual targets are not appropriate.  Major land transport infrastructure projects underway in 2021–22 are expected to support over 120,000 direct and indirect jobs over the life of the project. | |
| **Year** | **Performance measures** | **Planned Performance Results** | |
| Budget year 2022–23 | Progress of land transport infrastructure investment projects (d) | By June 2023, projects progressed in accordance with agreed timeframes. | |
| Implementation of investment in intermodal terminals (d) | Delivery milestones are met for each financial year. | |
| Forward Estimates 2023–26 | Progress of land transport infrastructure investment projects (d) | By June 2026, National Partnership Agreement projects, land transport infrastructure projects schedules agreed with jurisdictions following the October 2022 Budget:  • Planning commenced on 100% of projects;  • more than 70% are under construction;  • more than 50% have construction completed | |
| Implementation of investment in intermodal terminals (d) | Delivery milestones are met for each financial year. | |

1. 2021–22 key activity ‘Deliver major project business cases’ referenced in the 2021–22 Corporate Plan, deleted.
2. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.
3. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.
4. This 2022–23 measure combines two 2021–22 measures.

2.2 Budgeted expenses and performance for Outcome 2

|  |
| --- |
| **Outcome 2: An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations** |

#### Linked programs

|  |
| --- |
| **Australian Trade and Investment Commission** |
| **Programs**   * Program 1.2: Programs to Promote Australia’s Exports and Other International Economic Interests   **Contribution to Outcome 2 made by linked programs**  The Department of Infrastructure, Transport, Regional Development, Communications and the Arts works closely with the Australian Trade and Investment Commission (Austrade) to support tourism demand-driving infrastructure in Australia’s regions through regional grants programs. |
| **Services Australia**  **Programs**   * Program 1.1: Services to the Community – Social Security and Welfare   **Contribution to Outcome 2 made by linked programs**  The above linkage relates to payments made by Services Australia on behalf of the Department for the Tasmanian Freight Equalisation Scheme and the Bass Strait Passenger Vehicle Equalisation Scheme. |

#### Budgeted expenses for Outcome 2

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.2.1: Budgeted expenses for Outcome 2

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | | 2024-25 Forward estimate $'000 | | | 2025-26 Forward estimate $'000 | | |
| **Program 2.1: Surface Transport** | | | | | | | | | | | | | |
| Administered expenses | |  |  | |  | | |  | | |  | | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) (a) | | 238,971 | 248,012 | | 254,540 | | | 252,311 | | | 254,022 | | |
| Special Appropriations | |  |  | |  | | |  | | |  | | |
| *Australian Maritime Safety Authority Act 1990*(b) | | 134,689 | 136,059 | | 154,055 | | | 157,161 | | | 160,325 | | |
| *Protection of the Sea (Oil Pollution Compensation Funds) Act 1993* | | 358 | 600 | | 600 | | | 600 | | | 600 | | |
| Payments to corporate entities (b) | | 92,266 | 97,320 | | 88,290 | | | 89,372 | | | 90,534 | | |
| Expenses not requiring appropriation in the Budget year (c) | | (16,276) | - | | - | | | - | | | - | | |
| **Total expenses for Program 2.1** | | **450,008** | **481,991** | | **497,485** | | | **499,444** | | | **505,481** | | |
| **Program 2.2: Road Safety** | | | | | | | | | | | | | |
| Administered expenses | |  | |  | | |  | |  | | | |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 6,487 | | 19,095 | | | 12,500 | | 11,500 | | | - | |
| Expenses not requiring appropriation in the Budget year (c) | | 1,531 | | - | | | - | | - | | | - | |
| **Total expenses for Program 2.2** | | **8,018** | | **19,095** | | | **12,500** | | **11,500** | | | **-** | |
| **Program 2.3: Air Transport** | | | | | | | | | | | | | |
| Administered expenses | |  | |  | | |  | |  | | | |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 1,192,887 | | 117,700 | | | 145,556 | | 107,680 | | | | 51,591 |
| Payments to corporate entities (b) | | 122,082 | | 92,445 | | | 73,950 | | 41,794 | | | | 42,080 |
| Special Appropriations | |  | |  | | |  | |  | | | |  |
| *Aviation Fuel Revenues (Special Appropriation) Act 1988* (b) | | 85,281 | | 90,132 | | | 116,670 | | 122,690 | | | | 122,690 |
| Expenses not requiring appropriation in the Budget year (c) | | (475,168) | | 128,037 | | | (3,943) | | 11,481 | | | | 97,911 |
| **Total expenses for Program 2.3** | | **925,082** | | **428,314** | | | **332,233** | | **283,645** | | | | **314,272** |
| **Program 2.4: Program Support for Outcome 2** | | | | | | | | | | | | | |
| Departmental expenses |  | | |  | |  | |  | |  | | | |
| Departmental appropriation | 116,200 | | | 94,698 | | 112,115 | | 103,816 | | 104,498 | | | |
| s74 external revenues (d) | 3,545 | | | 4,155 | | 4,182 | | 4,182 | | 4,182 | | | |
| Expenses not requiring appropriation in the Budget year (e) | 4,311 | | | 10,551 | | 10,469 | | 10,469 | | 10,469 | | | |
| **Total expenses for Program 2.4** | **124,056** | | | **109,404** | | **126,766** | | **118,467** | | **119,149** | | | |

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Outcome 2 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | 1,438,345 | 384,807 | 412,596 | 371,491 | 305,613 |
| Special Appropriation | 220,328 | 226,791 | 271,325 | 280,451 | 283,615 |
| Payments to corporate entities (b) | 214,348 | 189,765 | 162,240 | 131,166 | 132,614 |
| Expenses not requiring appropriation in the Budget year (c) | (489,913) | 128,037 | (3,943) | 11,481 | 97,911 |
| **Total administered expenses** | **1,383,108** | **929,400** | **842,218** | **794,589** | **819,753** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 116,200 | 94,698 | 112,115 | 103,816 | 104,498 |
| s74 external revenues (d) | 3,545 | 4,155 | 4,182 | 4,182 | 4,182 |
| Expenses not requiring appropriation in the Budget year (e) | 4,311 | 10,551 | 10,469 | 10,469 | 10,469 |
| **Total departmental expenses** | **124,056** | **109,404** | **126,766** | **118,467** | **119,149** |
| **Total expenses for Outcome 2** | **1,507,164** | **1,038,804** | **968,984** | **913,056** | **938,902** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Movement of administered funds between years** (f) |  |  |  |  |  |
| Outcome 2: |  |  |  |  |  |
| Program 2.2: Road Safety | (867) | 867 | - | - | - |
| Program 2.3: Air Transport | (204,492) | 39,702 | (6,777) | 36,342 | 122,364 |
| **Total movement of administered funds between years** | **(205,359)** | **40,569** | **(6,777)** | **36,342** | **122,364** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 461 | 488 |

* + - * 1. The estimates for demand driven programs are calculated at a maximum probable amount in the forward estimates to ensure there is sufficient appropriation to meet demand. Where the estimated demand is not met in a particular year, underspends are returned to the Government and are not available for alternate uses by the department.
        2. Relates to appropriation for corporate entities provided through the Department.
        3. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises expenses relating to accruals, payments made from prior year appropriations and other non–cash expenses.
        4. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
        5. Departmental ‘Expenses not requiring appropriation in the Budget year’ is made up of depreciation and amortisation expenses and expenses that are reduced by associated receipts.
        6. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.2.2: Program components for Outcome 2

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **Components for Program 2.1: Surface Transport** | |  | |  | |  | |  | |
| Administered expenses |  |  | |  | |  | |  | |
| Bass Strait Passenger Vehicle Equalisation Scheme (a) | 41,850 | 54,472 | | 58,689 | | 60,215 | | 61,780 | |
| Freight and Supply Chain Strategy - Freight Data Hub | 246 | 1,903 | | 1,914 | | - | | - | |
| International Maritime Organization - contribution | 294 | 337 | | 339 | | 356 | | 374 | |
| International Transport Forum - contribution | 103 | 120 | | 119 | | 120 | | 120 | |
| National Heavy Vehicle Safety Initiatives | 5,528 | 5,696 | | 4,364 | | 4,458 | | 4,542 | |
| Real World Testing of Vehicle Efficiency | - | 3,500 | | 3,500 | | 3,500 | | 3,500 | |
| Strategic Local Government Asset Assessment Project | 4,000 | 4,000 | | 4,000 | | - | | - | |
| Tasmanian Freight Equalisation Scheme(a) | 170,672 | 177,984 | | 179,977 | | 181,969 | | 181,969 | |
| Tourist and Heritage Operators Rail Safety Regulation | - | - | | 1,638 | | 1,693 | | 1,737 | |
| Special Appropriations |  |  | |  | |  | |  | |
| *Australian Maritime Safety Authority Act 1990 (b)* | 134,689 | 136,059 | | 154,055 | | 157,161 | | 160,325 | |
| *Protection of the Sea (Oil Pollution Compensation Funds) Act 1993* | 358 | 600 | | 600 | | 600 | | 600 | |
| Payments to corporate entities (b) |  |  | |  | |  | |  | |
| * Australian Maritime Safety Authority | 87,804 | 92,893 | | 83,724 | | 85,242 | | 86,297 | |
| * National Transport Commission | 4,464 | 4,427 | | 4,566 | | 4,130 | | 4,237 | |
| **Total expenses for Program 2.1** | **450,008** | **481,991** | | **497,485** | | **499,444** | | **505,481** | |
| **Components for Program 2.2: Road Safety** |  | |  | |  | |  | |  | |
| Administered expenses |  | |  | |  | |  | |  | |
| Amy Gillett Foundation Program | - | | 3,000 | | 3,000 | | - | | - | |
| Keys2drive | 4,000 | | 6,000 | | - | | - | | - | |
| Road Safety Awareness and Enablers Fund | 1,274 | | 2,141 | | 1,500 | | 2,000 | | - | |
| Road Safety Innovation Fund | 2,744 | | 4,954 | | 5,000 | | 5,500 | | - | |
| Supporting Young and Vulnerable Road Users | - | | 3,000 | | 3,000 | | 4,000 | | - | |
| **Total expenses for Program 2.2** | **8,018** | | **19,095** | | **12,500** | | **11,500** | | **-** | |

Table 2.2.2: Program components for Outcome 2 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Components for Program 2.3: Air Transport** | | | | | |
| Administered expenses |  |  |  |  |  |
| Airport Lessee Companies | 178 | 1,000 | 1,000 | 1,000 | 1,000 |
| Automatic Dependent Surveillance - Broadcast (ADS-B) Rebate Program | - | 30,000 | - | - | - |
| Aviation Services Accreditation Program | 36,920 | - | - | - | - |
| Domestic Aviation Network Support (c) | nfp | - | - | - | - |
| Domestic Airports Security Program | 113,208 | - | - | - | - |
| Emerging Aviation Technologies Programs | 1,521 | 12,067 | 18,997 | - | - |
| Enhanced Regional Security Screening | 26,904 | 44,154 | - | - | - |
| Gold Coast Airport Contribution | 4,409 | 4,000 | - | - | - |
| International Air Security Charges Rebate | 26,209 | - | - | - | - |
| International Aviation Support | 239,374 | - | - | - | - |
| International Civil Aviation Organization - contribution | 2,313 | 2,999 | 3,239 | 3,418 | 3,418 |
| Hobart Airport Runway | - | - | 20,000 | 40,000 | - |
| Newcastle Airport International Terminal Upgrade | - | 15,000 | 40,000 | - | - |
| Payment scheme for Airservices Australia's en route charges (a) | - | 2,000 | 2,000 | 2,000 | 2,000 |
| PFAS Airports Investigation Program | - | 12,831 | 21,037 | 24,861 | 24,161 |
| Regional Airline Network Support | 88,750 | - | - | - | - |
| Regional Airports Program | 12,601 | 53,470 | 10,000 | 10,000 | - |
| Regional Aviation Access | 19,415 | 35,307 | 19,283 | 16,749 | 15,299 |
| Retaining Domestic Air Capability | 89,706 | - | - | - | - |
| Tourism Aviation Network Support Program (c) | nfp | - | - | - | - |
| Waiver for Airservices Australia Charges | 45,667 | - | - | - | - |
| Western Sydney Airport – preparatory activities | 9,416 | 26,372 | 4,924 | 20,000 | 102,491 |
| Western Sydney International Airport – Detailed Business Case | - | 5,000 | - | - | - |
| Women in the Aviation Industry | 1,128 | 1,537 | 1,133 | 1,133 | 1,133 |
| Payments to corporate entities (b) |  |  |  |  |  |
| * Civil Aviation Safety Authority | 122,082 | 92,445 | 73,950 | 41,794 | 42,080 |
| Special Appropriations |  |  |  |  |  |
| *Aviation Fuel Revenues (Special Appropriation) Act 1988* (b) | 85,281 | 90,132 | 116,670 | 122,690 | 122,690 |
| **Total expenses for Program 2.3** | **925,082** | **428,314** | **332,233** | **283,645** | **314,272** |

1. The estimates for demand driven programs are calculated at a maximum probable amount in the forward estimates to ensure there is sufficient appropriation to meet demand. Where the estimated demand is not met in a particular year, underspends are returned to the Government and are not available for alternate uses by the Department.
2. Relates to appropriation for corporate entities provided through the Department.
3. ‘nfp’ figures are not for publication due to commercial sensitivity, and are not included in totals.

Table 2.2.3: Performance measure for Outcome 2

Table 2.2.3 details the performance measures for each program associated with Outcome 2. 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 the October 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |  |
| --- | --- | --- | --- |
| Outcome 2 – An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations | | | |
| **Program 2.1 – Surface Transport**  The surface transport program supports economic growth, makes travel safer and increases transport access through delivering programs, policies and regulation for efficient, sustainable, safer and better-connected road, rail and maritime sectors. | | | |
| **Key Activities** | * Advise on and deliver better road safety as well as vehicle and rail regulation * Advise on and deliver policy for access to transport for people with a disability * Advise on technology advances in the road transport sector (a) * Manage domestic and international maritime policy, programs and regulation to support efficient sea trade, vessel safety, Australian maritime skills capability and environmental protection (b) * Implement the National Freight and Supply Chain Strategy and Action Plan (b) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Progress reforms for regulating vehicles and rail | Target: Implementation milestones for the National Rail Action Plan are met  Target met  Actual: The milestones were met for 2021–22. |
|  | Progress of reforms to the disability standards for accessible public transport | Target: Financial year delivery milestones set by the Infrastructure and Transport Ministers’ Meeting (ITMM) are met  Target met  The following milestones were met for 2021‑22:  Actual: In September 2021, reported to the Infrastructure and Transport Senior Officials’ Committee on second tranche of proposed new transport standards prior to the Regulation Impact Statement process.  In November 2021, Ministers considered and endorsed the first tranche of new standards to improve public transport accessibility. |
|  | Satisfaction of regulated shipping entities (c) | Target: Financial year survey results indicate we are effective, communicate clearly, and seek continuous improvement  Data not available. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Performance of Tasmanian shipping programs, indicated through number of:   1. claims paid (Tasmanian Freight Equalisation Scheme (TFES)) 2. rebates provided (Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES)) | Programs are demand-driven  Actual:   1. During the 2021–22 financial year, 16,515 TFES claims for assistance were paid. 2. During the 2021–22 financial year, 148,121 BSPVES rebates were provided. |
|  | Effectiveness of international engagement on maritime matters (c) | Target: In each financial year, outcomes achieved in line with the negotiation mandate agreed by the Australian Government  Target met  Actual: The Department achieved the Australian Government’s desired outcomes in a range of bilateral and multilateral forums. |
|  | Progress implementing the National Freight and Supply Chain Strategy (the Strategy) for the next 20 years and beyond to 2040 | Target: By June 2022, the 2020–21 annual report on national freight performance outcomes is complete, and the Strategy’s performance framework is updated  Target met  Actual: In January 2022, the 2020–21 National Freight and Supply Chain Strategy Annual Report was released and the Strategy’s performance framework was updated to include 3 new indicators. |
|  | Transport costs for road freight (c) | No target due to COVID-19 impacts  Actual: At the end of 2021–22, real road freight costs were 0.8% lower than the average of the 10 years up to 2020–21. |
|  | Transport costs for rail freight (c) | No target due to COVID-19 impacts  Actual: At the end of 2021–22, real rail freight costs were 1.6% lower than the average of the 10 years up to 2020–21. |
|  | Domestic CO2 emissions and rate of emissions: road (per vehicle kilometre) | The Department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory).  Road emissions in 2020–21 totalled 92,126 gigagrams (CO2 equivalent). This is higher than the 91,228 gigagrams in 2019–20.  This was 369.7 gigagrams per billion vehicle kilometres. This is lower than the 371.0 gigagrams per billion vehicle kilometres in 2019‑20. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021–22 cont. | Domestic CO2 emissions and rate of emissions: rail (per tonne kilometre) | The Department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory).  Rail emissions in 2020–21 totalled 6,145 gigagrams (CO2 equivalent, full fuel cycle). This is lower than the 6,198 gigagrams in 2019–20.  In 2020–21, rail emissions were 24.9 gigagrams per million train kilometres. This is lower than the 25.0 gigagrams per million train kilometre in 2019–20. |
| Domestic CO2 emissions and rate of emissions: maritime (per tonne kilometre) | The Department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory)  Domestic maritime emissions in 2020–21 totalled 2,509 gigagrams (CO2 equivalent). This is higher than the 2,488 gigagrams in 2019–20. |
| Number of fatalities and fatality rate per 100,000 population: rail (c) | Annual target setting is not appropriate, results sought are long term.  In 2021, there were 10 rail fatalities (excluding suicides and trespasses),14% higher than the average over the previous 4 years. In per-person terms, that corresponds to 0.039 per 100,000 people, 12% higher than the average over the previous 4 years. |
| Number of fatalities and fatality rate per 100,000 population: maritime | Annual target setting not appropriate, results sought are long term.  In 2021, there were 9 maritime transport fatalities, 76% higher than the average over the previous 10 years. In per-person terms, that corresponds to 0.035 per 100,000 people, 4% lower than the average over the previous 10 years. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | Progress reforms for regulating vehicles and rail that support safety and productivity | Policy advice is high-quality, timely and evidence-based to support decision making on heavy vehicle and rail productivity and safety matters.  Funding is delivered for relevant programs such as the Heavy Vehicle Safety Initiative, Strategic Local Government Asset Assessment Project and rail programs. |
| Progress of reforms to the Disability Standards for Accessible Public Transport | Financial year delivery milestones set by ITMM are met. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 cont. | Develop policy and regulatory advice, including supporting of trials and research, to support progress towards the safe, legal and nationally consistent introduction and uptake of Connected and Automated Vehicles (CAV) in Australia | Policy advice is high-quality, timely and evidence-based, adapts to the changing environment and developed in partnership with states and territories, the National Transport Commission (NTC) and key industry stakeholders.  Commonwealth-led actions in the National Land Transport Technology Action Plan (NLTTAP) 2020–23 are substantially complete and progress is made towards developing the next iteration of the NLTTAP.  Progress on a national Automated Vehicle Safety Law (AVSL) and associated in-service framework meets the timeframes set by ITMM. |
| Performance of Tasmanian shipping programs, indicated through number of:   1. claims paid (Tasmanian Freight Equalisation Scheme) 2. rebates provided (Bass Strait Passenger Vehicle Equalisation Scheme) | Programs are demand-driven. |
| Progress implementing the National Freight and Supply Chain Strategy for the next 20 years and beyond to 2040 | The 2021–22 annual report on National Freight and Supply Chain Strategy is complete and published by end December 2022, and the Strategy’s performance framework is updated June 2023. |
| Provide policy advice on reducing CO2 emissions consistent with Government commitments for the transport sector (d) | Policy advice is high-quality, timely and evidence-based and adapts to the changing environment.  Active participation in relevant international for a.  Progress Australia’s engagement and activities under the Clydebank Declaration, Quad Green Shipping Taskforce and maritime low emission technology initiative with Singapore.  Updates to the Green Vehicle Guide to improve information on electric vehicles and charging infrastructure. |
| Provide policy advice supporting maritime safety | Policy advice is high-quality, timely and evidence-based to support decision making on the Review of Domestic Commercial Vessels Safety Legislation and Costs and Charging Arrangements. |
| Forward Estimates 2023–26 | Progress reforms for regulating vehicles and rail that support safety and productivity | Advice provided to ministers is timely to support decision making on heavy vehicle and rail productivity and safety matters.  Funding is delivered for relevant programs such as the Heavy Vehicle Safety Initiative, Strategic Local Government Asset Assessment Project and rail programs. |
| Progress of reforms to the Disability Standards for Accessible Public Transport | Financial year delivery milestones set by ITMM are met. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 cont. | Develop policy and regulatory advice, including supporting of trials and research, to support progress towards the safe, legal and nationally consistent introduction and uptake of Connected and Automated Vehicles (CAV) in Australia | Drafting instructions for a national Automated Vehicle Safety Law (AVSL) to be implemented through Commonwealth law are complete, the national AVSL is introduced, and a national regulator is established, consistent with the roadmap for implementing a national safety framework for automated vehicles agreed by Infrastructure and Transport Ministers. |
| Performance of Tasmanian shipping programs, indicated through number of:   1. claims paid (Tasmanian Freight Equalisation Scheme) 2. rebates provided (Bass Strait Passenger Vehicle Equalisation Scheme) | Programs are demand-driven. |
| Progress implementing the National Freight and Supply Chain Strategy for the next 20 years and beyond to 2040 | Delivery milestones specified in the National Freight and Supply Chain Strategy are met for the financial year, and a 5 year review of the Strategy and Action Plan is completed. |
| *Provide policy advice on reducing CO2 emissions consistent with Government commitments for the transport sector (d)* | Implement a Net Zero Unit within the Department to provide Whole-of-Government high quality, timely and evidence-based policy advice on responding to climate change in transport, communications and infrastructure.  Actively participate in relevant international standards setting fora on emissions reduction.  Progress Australia’s engagement in maritime decarbonisation activities under the Clydebank Declaration, Quad Green Shipping Taskforce and low emission technology initiative with Singapore.  Update the Green Vehicle Guide to improve information on electric vehicles and charging infrastructure. |
| *Provide policy advice supporting maritime safety* | Policy advice is high-quality, timely and evidence-based to support decision making on the Review of Domestic Commercial Vessels Safety Legislation and Costs and Charging Arrangements. |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. New key activity that is reflected in the 2022–23 Corporate Plan.
2. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.
3. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.
4. This 2022–23 measure combines three 2021–22 measures.

| **Program 2.2 – Road Safety**  The road safety program makes travel safer through coordinating a national strategic approach to improving road safety and working to make vehicles safer for all road users. | | |
| --- | --- | --- |
| **Key Activities** | * Advise on and deliver better road safety as well as vehicle and rail regulation * Regulate the supply of all road vehicles to the Australian market **(a)** | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Progress of the implementation of:   1. the National Road Safety Strategy for the decade 2021 to 2030; and 2. the National Road Safety Data Hub | Target:   1. Establish an ongoing consistent source of updated national serious injury data by June 2022 2. Data Hub is established   Target partially met  Actual:   1. Target partially met - Work is progressing to establish the ongoing consistent source of national serious injury data. 2. Target met - The Road Safety Data Hub has been established in the Department. |
| Number of fatalities and fatality rate per 100,000 population: road | Annual target setting not appropriate, results sought are long term  Actual: In 2021, the preliminary figures (at March 2022, for calendar year 2021) show a rate of annual deaths per 100,000 population of 4.36. This is down from the baseline of 4.5. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | Progress of the implementation of:   1. the National Road Safety Strategy for the decade 2021 to 2030; and 2. the National Road Safety Data Hub | 1. Implement and report using newly established consistent source of national serious injury data. 2. Data hub is established. |
| *Average time taken to assess applications for road vehicle imports, and the implementation of Road Vehicle Standards legislation* | 1. 95% of applications are assessed within legislative timeframes. 2. All relevant legislation and legislative instruments are in place prior to the end of the transitional period. |
| Reduction in the number of road fatalities and fatality rate per 100,000 population | The rolling ten-year annual average road fatalities is maintained or reduced. |
| Forward Estimates 2023–26 | Progress of the implementation of:   1. the National Road Safety Strategy for the decade 2021 to 2030; and 2. the National Road Safety Data Hub | Delivery milestones in the National Road Safety Strategy are met for each financial year. |
|  | *Average time taken to assess applications for road vehicle imports, and the implementation of Road Vehicle Standards legislation* | 1. 95% of applications are assessed within legislative timeframes. 2. A two-year review of legislation will be undertaken. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 cont. | Reduction in the number of road fatalities and fatality rate per 100,000 population | As per the National Road Safety Strategy for the decade 2021 to 2030, a reduction in the annual number of fatalities by at least 50% by 2030. |

New or modified performance measures that reflect new or materially changed programs are shown in i*talics.*

1. New key activity reflected in the 2022–23 Corporate Plan.

|  |  |  |
| --- | --- | --- |
| **Program 2.3 – Air Transport**  The air transport program facilitates investment in aviation infrastructure, ensures the aviation industry operates within a clear and robust regulatory framework, and ensures Australian businesses and consumers have access to competitive international and domestic air services, and access to regional and remote areas. | | |
| **Key Activities (a)** | * Lead the design of the Western Sydney Airport flight path (b) * Manage domestic aviation policy, program and regulation (c) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Implementation of Western Sydney International (Nancy-Bird Walton) Airport (d) | Target: Delivery milestones are met for 2021‑22  Target met  Actual: Western Sydney International (Nancy-Bird Walton) Airport (WSI) is progressing well. It is over 33% complete (as at June 2022), and on track to commence operations in late 2026 |
|  | Percentage of Master Plans and Major Development Plans processed for federally leased airports within statutory timeframes | Target: 100% in each financial year  Target met  Actual: All Master Plans and Major Development Plans were assessed within statutory timeframes |
|  | Performance of the Domestic Aviation Network Support (DANS) and Regional Airline Network Support (RANS) programs, indicated through number of:   1. domestic commercial airlines receiving DANS or RANS support 2. locations receiving DANS or RANS flights (d) | Target: DANS and RANS operate as a safety net, with the number of flights supported dependent on how the aviation industry moves through the pandemic  Target met  Actual:   1. The DANS program ceased on 31 December 2021, and supported 4 airlines across the top 50 routes 2. The RANS program supported 14 airlines, with 121 locations serviced through eligible RANS flights. The RANS program closed on 30 June 2022 |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Performance of the Regional Airports Program (RAP) and the Remote Airstrip Upgrade (RAU) program, indicated through number of completed projects:   1. RAP funding to regional Australia 2. RAU funding in remote Australia | Target:   1. 100% of RAP projects with funding agreements in place are completed by 30 June 2025, with a third round of RAP grants to be offered on a competitive basis in 2022 2. 100% of RAU projects with funding agreements in place are completed by 30 June 2024, with a ninth round of RAU grants to be offered on a competitive basis in 2022   Target met  Actual: Further rounds of the RAP and RAU were open for applications in the first half of 2022.  Of the 60 RAP round one projects, 26 were completed. Grant agreements were executed for 85 of the 88 RAP round 2 projects, with work commencing in line with agreed milestones.  Of the RAU round 6 to 8 projects, 57 of the 121 were completed. |
|  | Performance of the Remote Air Services Subsidy Scheme (RASS Scheme), indicated through the number of remote communities directly visited on the regular “mail plane” service | Communities can apply for admission to the RASS Scheme at any time.  Target met  There are 269 communities listed under the RASS Scheme, a slight increase from last year. |
| Effectiveness of international engagement on aviation matters (d) | In financial year, outcomes achieved in line with prevailing aviation conditions.  Target met  In 2021–22, positive international engagement and results were achieved. |
| Domestic CO2 emissions and rate of emissions: aviation (per passenger kilometre) (d) | The Department does not set targets for emissions as it reports against an economy-wide framework (the National Greenhouse Gas Inventory).  Domestic aviation emissions in 2020–21 totalled 5,538 gigagrams (CO2 equivalent). This is lower than the 8,179 gigagrams in 2019–20. |
| Number of fatalities and fatality rate per 100,000 population: aviation | Annual target setting not appropriate, results sought are long term.  In 2021, there were 20 aviation fatalities, 39% lower than the average over the previous 10 years. In per-person terms, this corresponds to 0.078 per 100,000 people, 44% lower than the average over the previous 10 years. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | *Development and Environmental Assessment of Preliminary Flight Paths for Western Sydney International (Nancy-Bird Walton) Airport* | Delivery milestones are met for 2022–23. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Budget year 2022–23 cont. | Percentage of Master Plans and Major Development Plans processed for federally leased airports within statutory timeframes | 100% in each financial year. |
|  | Performance of the Regional Airports Program (RAP) and the Remote Airstrip Upgrade (RAU) program, indicated through number of completed projects:   1. in regional Australia (RAP) 2. in remote Australia (RAU) | In 2022–23, RAP and RAU projects are completed in line with their funding agreements. Both RAP and RAU continue for one round with RAP funding to 2024–25; RAU funding to 2023–24. |
|  | *Remote Air Services Subsidy (RASS) Scheme performance is indicated by eligible communities in remote and isolated areas of Australia having access to a regular air transport service for the carriage of passengers and goods.* | All eligible communities are admitted and maintained in the RASS Scheme. |
|  | *Provide policy advice supporting aviation safety* | Policy advice is high-quality, timely and evidence-based. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 | *Development and Environmental Assessment of Preliminary Flight Paths for Western Sydney International (Nancy-Bird Walton) Airport* | Flight Paths finalised and approved following community consultation to enable airport opening in 2026 |
| Percentage of Master Plans and Major Development Plans processed for federally leased airports within statutory timeframes | 100% in each financial year |
| Performance of the Regional Airports Program (RAP) and the Remote Airstrip Upgrade (RAU) program, indicated through number of completed projects:   1. in regional Australia (RAP) 2. in remote Australia (RAU) | 1. 100% of RAP projects with funding agreements in place are completed by 30 June 2025, with a third round of RAP grants to be offered on a competitive basis in 2022 2. 100% of RAU projects with funding agreements in place are completed by 30 June 2024, with a ninth round of RAU grants to be offered on a competitive basis in 2022 |
| *Remote Air Services Subsidy (RASS) Scheme performance is indicated by eligible communities in remote and isolated areas of Australia having access to a regular air transport service for the carriage of passengers and goods.* | All eligible communities are admitted and maintained in the RASS Scheme |
| *Provide policy advice supporting aviation safety* | Policy advice is high-quality, timely and evidence-based |

New or modified performance measures that reflect new or materially changed programs are shown in i*talics.*

1. 2021–22 key activity ‘Advise on international aviation markets and regulation, aviation technology and aviation services provided by portfolio bodies’ referenced in the 2021–22 Corporate Plan, deleted
2. New key activity reflected in the 2022–23 Corporate Plan
3. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan

Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.

2.3 Budgeted expenses and performance for Outcome 3

|  |
| --- |
| **Outcome 3: Strengthening the sustainability, capacity and diversity of Australia’s cities and regions, including northern Australia including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance** |

**Linked programs**

|  |
| --- |
| **Department of Agriculture, Fisheries and Forestry**  **Programs**   * Program 1.11: Drought programs   **Contribution to Outcome 3 made by linked programs**  The above linkage relates to work undertaken by the Regional Investment Corporation to support state and territory investment in water infrastructure that will provide secure and affordable water to support the growth of regional economies. |
| **Department of Climate Change, Energy, the Environment and Water**  **Programs**   * Program 1.1: Reducing Australia’s greenhouse gas emissions * Program 2.6: Management of Hazardous Wastes, Substances and Pollutants   **Contribution to Outcome 3 made by linked programs**  The Department of Infrastructure, Transport, Regional Development, Communications and the Arts supports environmental, climate change and recyclables market initiatives through the delivery of commitments under City and Regional Deals. |
| **Department of Education**  **Programs**   * Program 2.3: Higher Education Support   **Contribution to Outcome 3 made by linked programs**  The Department of Education is funding the construction of a new university campus in Launceston, the centrepiece of the Launceston City Deal. |
| **The Treasury**  **Programs**   * Program 1.9: National Partnership Payments to the states   **Contribution to Outcome 3 made by linked programs**  The above linkage relates to National Partnership Payments which are paid through the Department of the Treasury as part of the Federation Funding Agreements Framework. |

#### Budgeted expenses for Outcome 3

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.3.1: Budgeted expenses for Outcome 3

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 3.1: Regional development** | | | | | | | |
| Administered expenses | |  | |  |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 607,593 | | 750,032 | 990,684 | 1,153,709 | 1,174,007 |
| Expenses not requiring appropriation in the Budget year (a) | | (51,467) | | 272,048 | 10,434 | 10,150 | - |
| **Total expenses for Program 3.1** | | **556,126** | | **1,022,080** | **1,001,118** | **1,163,859** | **1,174,007** |
| **Program 3.2: Local government** | | | | | | | |
| Administered expenses |  | |  | |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No 3) | 291,851 | | 670 | | 390 | 279 | 279 |
| Other Services (Appropriation Act No 2 and Bill No. 4) | 617,679 | | 669,330 | | 349,610 | 249,721 | 249,721 |
| Special Appropriations |  | |  | |  |  |  |
| *Local Government (Financial Assistance) Act 1995* | 3,530,275 | | 821,494 | | 3,052,345 | 3,170,474 | 3,294,438 |
| Expenses not requiring appropriation in the Budget year (a) | (291,851) | | 316,303 | | - | - | - |
| **Total expenses for Program 3.2** | **4,147,954** | | **1,807,797** | | **3,402,345** | **3,420,474** | **3,544,438** |
| **Program 3.3: Cities** | | | | | | | |
| Administered expenses |  | |  | |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No 3) | (12) | | 2,633 | | 100 | - | - |
| Expenses not requiring appropriation in the Budget year (a) | 553 | | 2,192 | | 100 | - | - |
| **Total expenses for Program 3.3** | **541** | | **4,825** | | **200** | **-** | **-** |
| **Program 3.4: Growing a Stronger Northern Australian Economy** | | | | | | | |
| Administered expenses |  | |  | |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No 3) | 12,399 | | 38,410 | | 40,306 | 4,718 | 4,718 |
| Payments to corporate entities (b) | 14,227 | | 20,939 | | 21,090 | 21,254 | 21,615 |
| Expenses not requiring appropriation in the Budget year (a) | 115,172 | | 164,794 | | 461,727 | 278,717 | 212,350 |
| **Total expenses for Program 3.4** | **141,798** | | **224,143** | | **523,123** | **304,689** | **238,683** |

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | | 2025-26 Forward estimate $'000 | | |
| **Program 3.5: Program Support for Outcome 3** | | | | | | | | | | | | | |
| Departmental expenses | |  | |  | |  | |  | | |  | | |
| Departmental appropriation | | 85,641 | | 78,137 | | 63,385 | | 59,768 | | | 53,062 | | |
| s74 external revenues (c) | | 1,510 | | - | | - | | - | | | - | | |
| Expenses not requiring appropriation in the Budget year (d) | | 2,983 | | - | | - | | - | | | - | | |
| **Total expenses for Program 3.5** | | **90,134** | | **78,137** | | **63,385** | | **59,768** | | | **53,062** | | |
| **Outcome 3 Totals by appropriation type** | | | | | | | | | | | | | |
| Administered expenses |  | |  | |  | | | |  | | |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No 3) | 911,831 | | 791,745 | | 1,031,480 | | | | 1,158,706 | | | 1,179,004 |
| Other Services (Appropriation Act No. 2 and Bill No. 4) | 617,679 | | 669,330 | | 349,610 | | | | 249,721 | | | 249,721 |
| Special Appropriations | 3,530,275 | | 821,494 | | 3,052,345 | | | | 3,170,474 | | | 3,294,438 |
| Payments to Corporate Entities (b) | 14,227 | | 20,939 | | 21,090 | | | | 21,254 | | | 21,615 |
| Expenses not requiring appropriation in the Budget year (a) | 64,258 | | 439,034 | | 472,261 | | | | 288,867 | | | 212,350 |
| **Total administered expenses** | **5,138,270** | | **2,742,542** | | **4,926,786** | | | | **4,889,022** | | | **4,957,128** |
| Departmental expenses |  | |  | |  | | | |  | | |  |
| Departmental appropriation | 85,641 | | 78,137 | | 63,385 | | | | 59,768 | | | 53,062 |
| s74 external revenues (c) | 1,510 | | - | | - | | | | - | | | - |
| Expenses not requiring appropriation in the Budget year (d) | 2,983 | | - | | - | | | | - | | | - |
| **Total departmental expenses** | **90,134** | | **78,137** | | **63,385** | | | | **59,768** | | | **53,062** |
| **Total expenses for Outcome 3** | **5,228,404** | | **2,820,679** | | **4,990,171** | | | | **4,948,790** | | | **5,010,190** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Movement of administered funds between years** (e)(f) |  |  |  |  |  |
| Program 3.1: Regional Development | (102,353) | 102,353 | - | - | - |
| Program 3.2: Local Government | (316,303) | 316,303 | - | - | - |
| Program 3.3: Cities | (438) | 338 | 100 | - | - |
| Program 3.4: Growing a Stronger Northern Australian Economy | (18,378) | 7,633 | 9,529 | 608 | 608 |
| **Total movement of administered funds between years** | **(437,472)** | **426,627** | **9,629** | **608** | **608** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 279 | 308 |

1. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises of expenses relating to concessional loans, accruals, payments made from prior year appropriations and other non–cash expenses.
2. Relates to appropriation for corporate entities provided through the Department.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
4. Departmental ‘Expenses not requiring appropriation in the Budget year’ is made up of depreciation and amortisation expenses and expenses that are reduced by associated receipts.
5. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.
6. Movements of funds for City and Regional Deals are disclosed in the Department of Treasury’s 2022‑23 Portfolio Budget Statements.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.3.2: Program components for Outcome 3

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Components for Program 3.1: Regional development** | | | | | |
| Administered expenses |  |  |  |  |  |
| Barkly Regional Deal | 230 | 207 | - | - | - |
| Building Better Regions Fund | 125,182 | 307,719 | 174,237 | - | - |
| Community Development Grants Programme | 272,823 | 417,965 | 253,509 | 226,100 | 177,268 |
| Community Infrastructure Grants Program | - | 62,250 | 227,000 | 470,000 | 600,000 |
| Drought Communities Programme Extension | 13,733 | 10,000 | - | - | - |
| Hinkler Regional Deal | - | 250 | - | - | - |
| Investing in Our Communities Program | - | 22,927 | 108,940 | 128,014 | 59,700 |
| National Stronger Regions Fund | 2,266 | - | - | - | - |
| National Water Infrastructure Development Fund (a) | 500 | - | - | - | - |
| National Water Grid Authority(a) | 6,117 | 8 | - | - | - |
| Northern Australia Projects and Supporting Clean Energy in the Hunter | - | 7,700 | 79,000 | 131,000 | 115,000 |
| Precincts and Partnerships Program (Regional Stream) – Strategic Priorities | - | - | 125,000 | 175,000 | 200,000 |
| Rebuilding Regional Communities | 3,400 | 2,304 | - | - | - |
| Regional Australia Institute | 2,700 | - | - | - | - |
| Regional Development Australia Committees | 19,044 | 19,947 | 20,998 | 21,595 | 22,039 |
| Regional Growth Fund | 63,166 | 132,613 | - | - | - |
| Regional Jobs and Investment Packages | 10,088 | 4,142 | - | - | - |
| Regionalisation and Decentralisation Policy - Research and Development Program | 11,848 | 8,398 | 10,434 | 10,150 | - |
| Resilient Regional Leaders Program | 3,000 | 2,000 | - | - | - |
| Stronger Communities Programme | 22,029 | 22,650 | - | - | - |
| Supporting Regional Australia Institute | - | 1,000 | 2,000 | 2,000 | - |
| **Total expenses for Program 3.1** | **556,126** | **1,022,080** | **1,001,118** | **1,163,859** | **1,174,007** |
| **Components for Program 3.2: Local government** | |  |  |  |  | |
| Administered expenses |  |  |  |  |  | |
| Local Roads and Community Infrastructure | 597,679 | 966,303 | 350,000 | 250,000 | 250,000 | |
| Supplementary Funding for South Australian Roads | 20,000 | 20,000 | - | - | - | |
| Special Appropriations |  |  |  |  |  | |
| *Local Government (Financial Assistance) Act 1995* | 3,530,275 | 821,494 | 3,052,345 | 3,170,474 | 3,294,438 | |
| **Total expenses for Program 3.2** | **4,147,954** | **1,807,797** | **3,402,345** | **3,420,474** | **3,544,438** | |

Table 2.3.2: Program components for Outcome 3 (continued)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **Components for Program 3.3: Cities** | |  | |  | |  | |  | |  | |
| Administered expenses | |  | |  | |  | |  | |  | |
| Support for City Deals | | 368 | | 4,598 | | 100 | | - | | - | |
| Western Sydney City Deal | | 173 | | 227 | | 100 | | - | | - | |
| **Total expenses for Program 3.3** | | **541** | | **4,825** | | **200** | | **-** | | **-** | |
| **Components for Program 3.4: Growing a Stronger Northern Australian Economy** | | | | | | | | |  | |
| Administered expenses |  | |  | |  | |  | |  | |
| Northern Australia Development Program | 12,399 | | 38,410 | | 40,306 | | 4,718 | | 4,718 | |
| Northern Australia Infrastructure Facility | 115,172 | | 164,794 | | 461,727 | | 278,717 | | 212,350 | |
| Payments to corporate entities (b) |  | |  | |  | |  | |  | |
| * Northern Australia Infrastructure Facility | 14,227 | | 20,939 | | 21,090 | | 21,254 | | 21,615 | |
| **Total expenses for Program 3.4** | **141,798** | | **224,143** | | **523,123** | | **304,689** | | **238,683** | |

1. This program was transferred from the Department to the Department of Climate Change, Energy, the Environment and Water as part of the amendment to the Administrative Arrangements Order (AAO) with effect on 1 July 2022.
2. Relates to appropriation for corporate entities provided through the Department.

Table 2.3.3: Performance measure for Outcome 3

Table 2.3.3 details the performance measures for each program associated with Outcome 3. 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 the October 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 3** – Strengthening the sustainability, capacity and diversity of Australia’s cities and regions including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance | | | |
| **Program 3.1 – Regional Development**  The regional development program supports regional development and local communities through regionally focused stakeholder consultation and engagement, research, policy development and program delivery activities to create jobs, drive regional economic growth and build stronger regional communities. | | | |
| **Key Activities (a)** | * Provide policy leadership and deliver programs to support regional development and local governments * Advise on and deliver City Deals and Regional Deals (b) | | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Performance in delivering regional programs indicated through projects contracted, completed and funds expended for:   1. Community Development Grants 2. Stronger Communities Program (Round 5) 3. Building Better Regions Fund (Round 4) 4. Regional Growth Fund | Target for Community Development Grants, Stronger Communities Program and Building Better Regions Fund Projects, by June 2022: ≥90% of all commitments (up to May 2019) contracted; and ≥70% of 2019 commitments completed  Actual: 96.9% of all commitments up to 2019 contracted  Target met  Actual: 56% of 2019 commitments completed  Target not met  Actual – details for each program:   1. At 30 June 2022, of the 1,519 Community Development Grants Program projects, 1,397 (92%) were contracted and 1,105 (73%) were completed ($1.3 billion expended). 2. At 30 June 2022, of the 15,151 Stronger Communities Program projects, 15,151 (100%) were contracted and 11,967 (79%) were completed ($143.5 million expended in progress and completed). The data provided is for Round 1 to 7. |

| **Year** | **Performance measures** | **Expected Performance Results** |
| --- | --- | --- |
| Prior year  2021–22 cont. |  | 1. At 30 June 2022, of the 1,293 Building Better Regions Fund Projects, 1,287 (99%) were contracted and 768 (59%) were completed ($591.5 million expended in progress and completed).   Target for Regional Growth Fund: on track for all projects to be completed by June 2023  Target met   1. At 30 June 2022 Regional Growth Fund’s target met, with 15 projects anticipated to be completed by 30 June 2023 and two projects terminated. At 30 June 2022, of the 17 Regional Growth Fund projects, 15 were contracted (88%) and two (12%) were terminated ($114.6 million expended). |
| Number of Regional Deal commitments on track to be completed within agreed timeframe | Target: 100% of projects on track to be completed by their scheduled timeframes  Target not met  Actual: Most projects are on track to be completed by their scheduled completion date. Strategies are in place to address projects behind schedule. |
|  | Estimated number of jobs supported over the life of projects, from regional development projects underway during the financial year (based on proponent reported data) (c) | Programs support projects for which work requirements fluctuate. While it is appropriate to monitor jobs supported, it is not appropriate to set annual targets |
|  | Percentage of Regional Development Australia (RDA) Committees achieving agreed outcomes as demonstrated by:   1. Stakeholders satisfied with the performance of their RDA 2. Departmental review of RDA reporting (c) | Target: ≥90% of RDAs rated satisfactory or above  Target met  Actual: ≥90% of RDAs rated satisfactory. |
|  | Progress of water infrastructure capital projects | Target: Projects progressed in accordance with agreed timeframes in each financial year  Target not met  Actual: 78 out of 102 payment milestones were met as scheduled. |
|  | Estimated number of construction and ongoing jobs supported over the life of the projects, from National Water Grid Fund (NWGF) capital projects | Target: Completed projects deliver 2 construction jobs and at least 4 ongoing employees per $million of NWGF funding expensed  Target met  Actual: There were 6.2 construction jobs and 7.6 ongoing jobs supported across the completed projects, per $million of NWGF funding invested. |
| Prior year  2021–22 cont. | Expected increase in the availability and reliability of water arising from projects receiving NWGF capital funding | Target: For completed projects, an annual increase of 180 megalitres of water available for productive use per annum and at least 30 hectares of additional irrigable land and new areas serviced per $million of NWGF funding expensed  Target met  Actual: Completed projects are making 548ML p/a available for productive use per $million of NWGF funding expensed.  Completed projects supported 2,029 hectares in irrigable land and new areas serviced per $million of NWGF funding expensed |
|  | Expected ongoing increase in gross value of agriculture and industrial production arising from projects receiving NWGF capital funding | Target: For completed projects, an annual increase of $900,000 per annum per million of NWGF funding expensed  Target met  Actual: Completed projects delivered an estimated increase of $1.7 million per annum in the gross value of agricultural and industrial production per $million of NWGF funding expensed. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 (a) | Performance in delivering legacy regional programs | By June 2023, 95% of all contracted commitments in legacy programs on target for completion. |
| *Number of City and Regional Deal commitments on track to be completed within agreed timeframes (d)(e)* | Projects are delivered according to agreed milestones. |
| Forward Estimates 2023–26 | *Performance in delivering legacy regional programs* | Programs completed prior to the end date for each program. |
| *Number of City and Regional Deal commitments on track to be completed within agreed timeframes (d)(e)* | Projects are delivered according to agreed milestones. |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. Key activity applies only to 2021–22 as the NWGA transferred to the Department of Climate Change, Energy, the Environment and Water on 1 July 2022. As a result, from 2022–23 the performance framework excludes one key activity and four performance measures previously reported within the water infrastructure purpose.
2. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.
3. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.
4. This 2022–23 measure combines two 2021–22 measures.
5. This measure is linked to Program 3.3 Cities.

|  |  |  |
| --- | --- | --- |
| **Program 3.2 – Local Government**  The local government program supports regional development and local communities through delivery of policy advice to the Australian Government and financial assistance to local governments to strengthen local government capacity and better support local communities. | | |
| **Key Activity** | * Provide policy leadership and deliver programs to support regional development and local governments | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Financial assistance is provided to local government | Target: Assistance is provided in accordance with the *Local Government (Financial Assistance) Act 1995*  Target met  Actual: $3.5 billion in financial assistance was provided in 2021–22  The Australian Government provided a total of $3.5 billion in untied funds under the Financial Assistance Grant program. This included an early payment of 75% of the 2022–23 estimated entitlement ($2.1 billion) to give councils immediate access to funds to help manage the cumulative impacts of drought, bushfires and the COVID-19 pandemic |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | Financial assistance is provided to local government in accordance with *the Local Government (Financial Assistance) Act 1995* | Assistance is provided on time and aligned with the budget appropriation |
| Forward Estimates 2023–26 | Financial assistance is provided to local government in accordance with the *Local Government (Financial Assistance) Act 1995* | Assistance is provided on time and aligned with the budget appropriation |

|  |  |  |
| --- | --- | --- |
| **Program 3.3 – Cities**  The cities program supports the development of more liveable and productive cities through programs and policies that support jobs and economic growth, manage population pressures and reduce congestion. | | |
| **Key Activity** | * Advise on and deliver City Deals and Regional Deals (a) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Number of City Deal commitments on track to be completed within agreed timeframes | Target: 100% of projects on track to be completed by their scheduled timeframes  Target not met  Actual: Most projects are on track to be completed by their scheduled completion date. Strategies are in place to address projects behind schedule. |
| City Deals contributing to city:   1. productivity 2. liveability (b) | Target: In 2021–22, reporting shows improvements in >50% of indicators analysed  Target not met  Actual: Liveability: Median house prices in the year to March 2022 increased in all capital cities and regions.  Productivity Growth: Results vary by city. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Budget year 2022–23 | *Number of City and Regional Deal commitments on track to be completed within agreed timeframes* (c) | Projects are delivered according to agreed milestones. |
| Forward Estimates 2023–26 | *Number of City and Regional Deal commitments on track to be completed within agreed timeframes* (c) | Projects are delivered according to agreed milestones. |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.
2. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.
3. This measure is linked to Program 3.1 Regional Development.

| **Program 3.4 – Growing a Stronger Northern Australian Economy**  *Our North, Our Future: 2021-2026 – Targeted Growth* is the Government's next five-year strategic plan for developing Northern Australia. From 2021-2026 the Government will invest in transformational and enabling projects through a whole-of-government approach, in partnership with state and territory governments. | | |
| --- | --- | --- |
| **Key Activities** | * Progress key initiatives and monitor whole-of-government implementation of the northern Australia agenda(a) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Implementing *Our North, Our Future: 2021‑2026* | Target: Implementation of *Our North, Our Future: 2021–2026* initiatives  Implement an evaluation framework which includes identifying indicators and a methodology for performance monitoring, and establishing a baseline  Target partially met  Actual: Initiatives are on track to be completed by their scheduled completion date. Strategies are in place to address risks or delays to delivery schedules |
|  | Impacts of projects supported by the Northern Australia Infrastructure Facility (NAIF) during the financial year, indicated through:   1. Total number of new jobs created 2. Total number of new Indigenous jobs created | Target: Year-on-year increase  Target met  Actual:   1. 3,713 jobs created or supported 2. Not available |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | *Implementing key initiatives of the northern Australia agenda* | Progress implementation of key initiatives according to agreed milestones |
| Impacts of projects supported by the Northern Australia Infrastructure Facility (NAIF) during the financial year, indicated through:   1. Total number of new jobs created 2. Total number of new Indigenous jobs created | Year-on-year increase |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 | *Implementing key initiatives of the northern Australia agenda* | Forward targets to be set following implementation of monitoring, evaluation and reporting framework in late 2022. |
| Impacts of projects supported by the Northern Australia Infrastructure Facility (NAIF) during the financial year, indicated through:   1. Total number of new jobs created 2. Total number of new Indigenous jobs created | Year-on-year increase. |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.

2.4 Budgeted expenses and performance for Outcome 4

|  |
| --- |
| Outcome 4: Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories |

##### **Budgeted expenses for Outcome 4**

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.4.1: Budgeted expenses for Outcome 4

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | | | | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | | 2024-25 Forward estimate $'000 | | | 2025-26 Forward estimate $'000 | | |
| **Program 4.1: Services to territories** | |  | | | |  | |  | | |  | | |  | | |
| Administered expenses | |  | | | |  | |  | | |  | | |  | | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 190,095 | | | | 245,704 | | 190,030 | | | 189,236 | | | 181,069 | | |
| Special Accounts | |  | | | |  | |  | | |  | | |  | | |
| Christmas Island Phosphate Mining Rehabilitation Special Account 2016 | | 966 | | | | 1,200 | | 1,200 | | | 1,200 | | | 1,200 | | |
| Indian Ocean Territories Special Account 2014 | | 17,006 | | | | 17,515 | | 17,769 | | | 17,915 | | | 18,454 | | |
| Jervis Bay Territory Special Account 2014 | | 1,219 | | | | 1,219 | | 1,219 | | | 1,219 | | | 1,219 | | |
| Expenses not requiring appropriation in the Budget year (a) | | 62,942 | | | | 41,922 | | 39,628 | | | 37,334 | | | 36,859 | | |
| **Total expenses for Program 4.1** | | **272,228** | | | | **307,560** | | **249,846** | | | **246,904** | | | **238,801** | | |
| **Program 4.2: Program Support for Outcome 4** | | | | | | | | | | | | | | | | |
| Departmental expenses | | |  | |  | | | |  | | |  | | |  | |
| Departmental appropriation | | | 26,821 | | 32,410 | | | | 32,312 | | | 28,783 | | | 28,915 | |
| s74 external revenues (b) | | | 579 | | - | | | | - | | | - | | | - | |
| Expenses not requiring appropriation in the Budget year (c) | | | 1,214 | | - | | | | - | | | - | | | - | |
| **Total expenses for Program 4.2** | | | **28,614** | | **32,410** | | | | **32,312** | | | **28,783** | | | **28,915** | |
| **Outcome 4 Totals by appropriation type** |  | | |  | | |  | | |  | | |  | | | |
| Administered expenses |  | | | |  | | |  | | | |  | | | |  | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | 190,095 | | | | 245,704 | | | 190,030 | | | | 189,236 | | | | 181,069 | |
| Special Accounts | 19,191 | | | | 19,934 | | | 20,188 | | | | 20,334 | | | | 20,873 | |
| Expenses not requiring appropriation in the Budget year (a) | 62,942 | | | | 41,922 | | | 39,628 | | | | 37,334 | | | | 36,859 | |
| **Total administered expenses** | **272,228** | | | | **307,560** | | | **249,846** | | | | **246,904** | | | | **238,801** | |
| Departmental expenses |  | | | |  | | |  | | | |  | | | |  | |
| Departmental appropriation | 26,821 | | | | 32,410 | | | 32,312 | | | | 28,783 | | | | 28,915 | |
| s74 external revenues (b) | 579 | | | | - | | | - | | | | - | | | | - | |
| Expenses not requiring appropriation in the Budget year (c) | 1,214 | | | | - | | | - | | | | - | | | | - | |
| **Total departmental expenses** | **28,614** | | | | **32,410** | | | **32,312** | | | | **28,783** | | | | **28,915** | |
| **Total expenses for Outcome 4** | **300,842** | | | | **339,970** | | | **282,158** | | | | **275,687** | | | | **267,716** | |

Table 2.4.1: Budgeted expenses for Outcome 4 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Movement of administered funds between years** (d) |  |  |  |  |  |
| Outcome 4: |  |  |  |  |  |
| Program 4.1 Services to Territories | (7,998) | 4,754 | 2,769 | 475 | - |
| **Total movement of administered funds between years** | **(7,998)** | **4,754** | **2,769** | **475** | **-** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 126 | 124 |

1. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises expenses relating to accruals, payments made from prior year appropriations and other non–cash expenses.
2. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
3. Departmental expenses not requiring appropriation in the Budget year is made up of depreciation and amortisation expenses and expenses that are reduced by associated receipts.
4. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.4.2: Program components of Outcome 4

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Components for Program 4.1: Services to territories** | |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| ACT Government - national capital  functions | 2,767 | 2,168 | 2,089 | 2,124 | 2,160 |
| Depreciation and Amortisation | 39,785 | 37,168 | 36,859 | 36,859 | 36,859 |
| Norfolk Island - Commonwealth administration | 1,069 | 1,127 | 1,161 | 1,182 | 1,201 |
| Norfolk Island - Kingston and Arthur's Vale historic area | 2,650 | 2,743 | 2,844 | 2,893 | 2,944 |
| Office of Administrator, Northern Territory | 353 | 437 | 450 | 458 | 465 |
| Services to Indian Ocean Territories (a) | 127,651 | 140,701 | 101,756 | 104,374 | 104,759 |
| Services to Jervis Bay Territory (b) | 5,881 | 7,840 | 9,300 | 5,927 | 5,989 |
| Services to Norfolk Island | 72,881 | 95,442 | 75,199 | 72,753 | 63,551 |
| Special Accounts |  |  |  |  |  |
| Christmas Island Phosphate Mining Rehabilitation Special Account 2016 | 966 | 1,200 | 1,200 | 1,200 | 1,200 |
| Indian Ocean Territories Special Account 2014 | 17,006 | 17,515 | 17,769 | 17,915 | 18,454 |
| Jervis Bay Territory Special Account 2014 | 1,219 | 1,219 | 1,219 | 1,219 | 1,219 |
| **Total expenses for Program 4.1** | **272,228** | **307,560** | **249,846** | **246,904** | **238,801** |

1. See also expenses associated with the Indian Ocean Territories Special Account 2014.
2. See also expenses associated with the Jervis Bay Territory Special Account 2014.

Table 2.4.3: Performance measure for Outcome 4

Table 2.4.3 details the performance measures for each program associated with Outcome 4. 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 4** – Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self‑governing territories | | |
| **Program 4.1 – Services to Territories**  The services to territories program provides good governance and service delivery in the Australian territories, including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories. | | |
| **Key Activities** | * Provide essential infrastructure and fund and deliver services to residents of Norfolk Island, Christmas Island, the Cocos (Keeling) Islands and the Jervis Bay Territory * Administer the Ashmore and Cartier Islands and the Coral Sea Island Territories, and manage national interests in the ACT and NT * Improve the legislative frameworks in the Territories, to optimise governance arrangements and to support improvements in the service delivery landscape (a) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Commonwealth legal and governance frameworks in Australia’s territories are appropriate for the protection and wellbeing of the communities | Target: Legal and governance frameworks are improved each financial year to be increasingly comparable to other Australian jurisdictions, with territory-specific modifications as necessary  Target met  Actual: Legal and governance frameworks are in place, and were modified where necessary |
| Communities in the external territories and Jervis Bay Territory have comparable services and essential infrastructure to mainland Australia | Target: Service delivery arrangements and contracts each financial year deliver comparable services and essential infrastructure to mainland Australia  Target met  Actual: State-type services and essential infrastructure were delivered |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | Commonwealth legal and governance frameworks in Australia’s territories are appropriate for the protection and wellbeing of the communities | Legal and governance frameworks are updated and improved in the financial year with territory-specific modifications as necessary. |
|  | Communities in the external territories and Jervis Bay Territory have comparable services and essential infrastructure to mainland Australia | Service delivery arrangements and contracts in financial year deliver services and essential infrastructure comparable to similar Australian mainland communities. |
| Forward Estimates 2023–26 | Commonwealth legal and governance frameworks in Australia’s territories are appropriate for the protection and wellbeing of the communities | Legal and governance frameworks are updated and improved in the financial year with territory-specific modifications as necessary. |
| Communities in the external territories and Jervis Bay Territory have comparable services and essential infrastructure to mainland Australia | Service delivery arrangements and contracts in financial year deliver services and essential infrastructure comparable to similar Australian mainland communities. |

1. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.

2.5 Budgeted expenses and performance for Outcome 5

|  |
| --- |
| **Outcome 5: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services** |

#### Linked programs

| **Australian Communications and Media Authority (ACMA)** |
| --- |
| **Programs**   * Program 1.1 – Communications regulation, planning and licensing * Program 1.2 – Consumer safeguards, education and information   **Contribution to Outcome 5 made by linked programs**  As the regulator of the media and communications sector, the ACMA is responsible for enforcing compliance with the Universal Service Obligation (USO) and emergency call services requirements under the *Telecommunications (Industry Levy) Act 2012*, recouping costs of the Consumer Representation Grants Program allocated to the Australian Communications Consumer Action Network (ACCAN) under section 593 of the *Telecommunications Act 1997* and costs related to the management of Australia’s membership and engagement with the International Telecommunications Union (ITU), from licence carriers under the *Telecommunications (Carrier Licence Charges) Act 1997*. The ACMA is also responsible for administering the Regional Broadband Scheme under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*. |
| **The Treasury** |
| **Programs**   * Program 1.9 – National Partnership Payments to the States   **Contribution to Outcome 5 made by linked programs**  The Government will make a National Partnership Payment to the New South Wales Government to provide the Government’s program for WiFi and mobile coverage on the rail corridor between Sydney and the Central Coast. |

##### **Budgeted expenses for Outcome 5**

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.5.1: Budgeted expenses for Outcome 5

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | | | | | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | | | 2025-26 Forward estimate $'000 |
| **Program 5.1: Digital Technologies and Communications Services** | | | | | | | | | | | | | |
| Administered expenses | |  | |  | | | | |  |  | | |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | | 309,486 | | 213,815 | | | | | 285,451 | 261,603 | | | 172,587 |
| Special Accounts | |  | |  | | | | |  |  | | |  |
| Public Interest Telecommunications Services Special Account | |  | |  | | | | |  |  | | |  |
| National Relay Service | | 20,184 | | 20,000 | | | | | 20,000 | 20,000 | | | 20,000 |
| Universal Service Obligation | | 270,000 | | 270,000 | | | | | 270,000 | 270,000 | | | 270,000 |
| Other Public Interest Services | | 23,604 | | 39,064 | | | | | 22,250 | 22,250 | | | 22,250 |
| Payments to corporate entities (a) | | 1,380,118 | | 1,423,963 | | | | | 1,465,780 | 1,515,137 | | | 1,530,720 |
| Expenses not requiring appropriation in the Budget year (b) | | 1,046,534 | | 930,426 | | | | | 889,617 | 831,003 | | | 888,370 |
| **Total expenses for Program 5.1** | | **3,049,926** | | **2,897,268** | | | | | **2,953,098** | **2,919,993** | | | **2,903,927** |
| **Program 5.2 Program Support for Outcome 5** | | | | | | | | | | | | | |
| Departmental expenses |  | | | | |  | |  | | |  |  | |
| Departmental appropriation | 75,002 | | | | | 75,742 | | 78,694 | | | 69,121 | 62,160 | |
| s74 external revenues (c) | 1,984 | | | | | 2,406 | | 2,406 | | | 2,049 | 2,049 | |
| Special Accounts |  | | | | |  | |  | | |  |  | |
| Public Interest Telecommunications Services Special Account | 4,046 | | | | | 4,046 | | 4,046 | | | 4,046 | 4,046 | |
| Expenses not requiring appropriation in the Budget year (d) | 3,010 | | | | | 5,849 | | 5,816 | | | 5,816 | 5,816 | |
| **Total expenses for Program 5.2** | **84,042** | | | | | **88,043** | | **90,962** | | | **81,032** | **74,071** | |
| **Outcome 5 Totals by appropriation type** | | | | | | | | | | | | | | |
| Administered expenses | | |  | |  | |  | | |  | | |  | | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No.3) | | | 309,486 | | 213,815 | | 285,451 | | | 261,603 | | | 172,587 | | |
| Special accounts | | | 313,788 | | 329,064 | | 312,250 | | | 312,250 | | | 312,250 | | |
| Payments to corporate entities (a) | | | 1,380,118 | | 1,423,963 | | 1,465,780 | | | 1,515,137 | | | 1,530,720 | | |
| Expenses not requiring appropriation in the Budget year (b) | | | 1,046,534 | | 930,426 | | 889,617 | | | 831,003 | | | 888,370 | | |
| **Total administered expenses** | | | **3,049,926** | | **2,897,268** | | **2,953,098** | | | **2,919,993** | | | **2,903,927** | | |

Table 2.5.1: Budgeted expenses for Outcome 5 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Outcome 5 Totals by appropriation type** | |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 72,425 | 82,313 | 85,265 | 92,537 | 85,576 |
| s74 external revenues (c) | 1,984 | 2,406 | 2,406 | 2,049 | 2,049 |
| Special accounts | 4,046 | 4,046 | 4,046 | 4,046 | 4,046 |
| Expenses not requiring appropriation in the Budget year (d) | 3,010 | 5,849 | 5,816 | 5,816 | 5,816 |
| **Total departmental expenses** | **81,465** | **94,614** | **97,533** | **104,448** | **97,487** |
| **Total expenses for Outcome 5** | **3,131,391** | **2,991,882** | **3,050,631** | **3,024,441** | **3,001,414** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Movement of administered funds between years** (e) |  |  |  |  |  |
| Program 5.1: Digital Technologies and Communications | (140,216) | 67,540 | 72,676 | - | - |
| **Total movement of administered funds between years** | **(140,216)** | **67,540** | **72,676** | **-** | **-** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 308 | 316 |

1. Relates to appropriation for corporate entities provided through the Department.
2. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises expenses relating to accruals, payments made from prior year appropriations and other non–cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
4. Departmental ‘Expenses not requiring appropriation in the Budget year’ are made up of depreciation expenses, amortisation expenses, which exclude right of use assets.
5. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.5.2: Program components of Outcome 5

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Components for Program 5.1: Digital Technologies and Communications Services** | | | | | | | | | |
| Administered expenses | |  |  | |  |  |  |
| Amplifying Australia's Voice in the Pacific | 5,675 | | 5,675 | | - | - | - | |
| Australian 5G Innovation Initiative | 14,990 | | 5,000 | | - | - | - | |
| Better Connectivity Plan for Regional and Rural Australia (a) | - | | 29,428 | | 190,018 | 198,018 | 129,718 | |
| Boost Education Opportunities for Families with No Home Internet | - | | 4,500 | | - | - | - | |
| Cellular Broadcast Technologies(b) | - | | nfp | | nfp | - | - | |
| Community Broadcasting Program | 20,149 | | 20,975 | | 21,838 | 22,345 | 22,721 | |
| Connecting Northern Australia | - | | 44,450 | | 22,018 | - | - | |
| Consumer Representation Grants Program | 2,381 | | 2,488 | | 2,619 | 2,693 | 2,748 | |
| Intellectual Property | 274 | | - | | - | - | - | |
| International Organisation Contributions | 7,183 | | 7,178 | | 7,094 | 7,094 | 7,094 | |
| Journalist (Cadetship and Training) | - | | 5,000 | | - | - | - | |
| Mobile Black Spot Program | 15,731 | | 60,728 | | 41,996 | 17,000 | - | |
| NBN - Fixed Wireless and Satellite Upgrade | 480,000 | | - | | - | - | - | |
| News Media Assistance Program | - | | 4,000 | | - | - | - | |
| Online Safety | 3,936 | | 953 | | 810 | 810 | 810 | |
| Peri-Urban Mobile Program | - | | 13,306 | | 24,071 | 11,520 | 8,007 | |
| Public Interest News Gathering | 7,275 | | - | | - | - | - | |
| Regional Backbone Blackspots Program | 7,925 | | 7,925 | | 7,925 | 7,925 | 7,925 | |
| Regional Broadband Scheme | 731,869 | | 759,052 | | 790,762 | 822,528 | 879,895 | |
| Regional Broadcasting | 13,623 | | 14,610 | | 15,724 | 595 | - | |
| Regional Connectivity | 26,516 | | 111,141 | | 31,796 | - | - | |
| Safe Kids are eSmart Kids | - | | - | | 1,883 | 2,078 | 2,039 | |
| Spectrum Pricing Transitional Support | 4,772 | | - | | - | - | - | |
| Strengthening Telecommunications Against Natural Disasters | 10,721 | | 14,318 | | - | - | - | |
| Supporting Regional and Local Newspapers | - | | 15,000 | | - | - | - | |
| Supporting Underrepresented Sports | 3,000 | | 2,000 | | - | - | - | |

Table 2.5.2: Program components of Outcome 5 (continued)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | 2022-23  Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **Components for Program 5.1: Digital Technologies and Communications Services** | | | | | | | | | | |
| Special Accounts |  | | |  | |  | |  | |  |
| Public Interest Telecommunications Services Special Account |  | | |  | |  | |  | |  |
| National Relay Service | 20,184 | | | 20,000 | | 20,000 | | 20,000 | | 20,000 |
| Universal Service Obligation | 270,000 | | | 270,000 | | 270,000 | | 270,000 | | 270,000 |
| Other Public Interest Services | 23,604 | | | 39,064 | | 22,250 | | 22,250 | | 22,250 |
| Payments to corporate entities (c) |  | | |  | |  | |  | |  |
| * Australian Broadcasting Corporation | 1,070,097 | | | 1,107,158 | | 1,131,794 | | 1,182,547 | | 1,192,208 |
| * Special Broadcasting Service Corporation | 310,021 | | | 316,805 | | 333,986 | | 332,590 | | 338,512 |
| **Total expenses for Program 5.1** | **3,049,926** | | | **2,880,754** | | **2,936,584** | | **2,919,993** | | **2,903,927** |

1. This line item includes funding for additional rounds of the Mobile Black Spot Program and the Regional Connectivity Program, improving communications resilience, on-farm connectivity, a national audit of mobile coverage, and extension of the Regional Tech Hub.
2. ‘nfp’ figures are not for publication due to commercial sensitivity, and are not included in totals.
3. Relates to appropriation for corporate entities that is provided through the Department.

Table 2.5.3: Performance measure for Outcome 5

Table 2.5.3 details the performance measures for each program associated with Outcome 5. 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 5** – Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services | | |
| **Program 5.1** **– Digital Technologies and Communications Services**  To provide an environment in which all Australians can access and benefit from digital technologies and communications services, supporting inclusiveness and sustainable economic growth. | | |
| **Key Activities**(a) | * Implementing and administering programs that expand digital connectivity including the Mobile Black Spot program, Peri-Urban Mobile Program and Regional Connectivity Program (b) * Provide advice to the government on communications policy and programs including regional and remote Australia * Provide policy advice and program delivery on the news and media industry (c) | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Progress implementing the *Online Safety Act* (d) | Target: Legislation and relevant legislative instruments are ready for commencement of the *Online Safety Act* on 23 January 2022  Target met  Actual: The *Online Safety Act 2021* commenced on 23 January 2022.  The Online Safety (Basic Online Safety Expectations) Determination 2022 was made by the Minister for Communications, Urban Infrastructure, Cities and the Arts and commenced on 24 January 2022. |
|  | Provide oversight of NBN Co(d) | Target: In each financial year, we assess NBN Co’s corporate plan and monitor the company to ensure it is acting consistently with policy objective outlined in the Statement of Expectations  Target met  Actual: Oversight was effective in 2021–22. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | NBN Co Loan interest payments and principal repayments (d) | Target: In each financial year, NBN Co interest payments and principal repayments are made in accordance with the terms in the Loan Agreement  Target met  Actual: In 2021–22, NBN Co met all monthly interest payments due on the Commonwealth loan. |
| Funds administered as part of the Regional Broadband Scheme (RBS) are distributed (d) | Target: In each financial year, funds are distributed in line with legislative requirements  Target met  Actual: In June 2022, the Department distributed the funds administered under the Regional Broadband Scheme to NBN Co, in line with legislative requirements. |
| Effectiveness of international engagement on communications matters (d) | Target: In each financial year, outcomes achieved in line with the negotiation mandate agreed by the Australian Government  Target met  Actual: Outcomes were achieved in 2021–22. |
| Number and proportion of Australian community radio licence holders receiving Community Broadcasting Program funding (c) | Number fluctuates depending on round structure and applications received  No target  There are 461 community broadcasting licences in Australia held by 332 organisations. 43% of these organisations are supported by grants from the Community Broadcasting Program distributed via the Community Broadcasting Foundation. The Program also funds sector organisations to deliver services and sector-wide development initiatives, as well as content producers. |
| Percentage of Community Service Obligations (CSOs) met by Australia Post (d) | Reporting in each financial year shows Australia Post met or exceeded all the Prescribed Performance Standards  Target partially met  Australia Post exceeded all of its accessibility of services performance standards.  Australia Post met some, but not all, of its letter delivery performance standards as a result of ongoing COVID 19 impacts:   * On-time letter delivery – Exceeded the standard for quarters 3 and 4. Was below the standard required over the full year (93.5% achieved — target is 94%) * Every business day delivery frequency – Consistently exceeded the standard in quarter 4. Was below the standard over the full year (full year data not available). |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021–22 cont. | Percentage of telecommunications Universal Service Obligation (USO) targets met by Telstra (d) | Reporting in each financial year shows 100% targets met and 100% contracted arrangements delivered  Target met  Our assessment of 2021–22 reporting determined that Telstra met 100% of its payment benchmarks under the contract performance obligations, which relate to it meeting connection and repair timeframes for telephone services and payphones. |
| Percentage of contractual arrangements for the Triple Zero Emergency Call Service delivered by Telstra (d) | Reporting in each financial year shows 100% targets met and 100% contracted arrangements delivered  Target met  Reporting in 2021—22 shows 100% delivered. |
| Amount of new and improved mobile coverage delivered in regions under the Mobile Black Spot Program | Target: ≥90% of total contracted (predictive) coverage is delivered through new assets, for which Asset Completion Reports (ACRs) are received in each financial year  Target met  Actual: Total new handheld coverage delivered exceeded the total contracted metric by 42% and the total number of premises to receive new mobile coverage exceeded the total contracted metric by 17%. |
| Access to Viewer Access Satellite Television (VAST) for viewers in terrestrial blackspots, to receive direct-to-home free-to-air television safety net services | Target: In each financial year, access maintained for ≥210,000 households  Target met  Actual: At 30 June 2022, 252,644 households were registered for direct to home satellite television services through Viewer Access Satellite Television. |
| Number of online safety complaints by type, and percentage change (d) | Annual target setting is not appropriate as regulators respond to demand  In 2021–22, eSafety received:   * 1,542 cyber abuse complaints * 4,169 image-based abuse complaints * 1,243 adult cyber abuse complaints * 6,978 reports about online content concerning 15,654 URLs. |
| Affordability of telecommunications services (mobile and fixed) on offer | Target: Reporting in each financial year indicates affordability is maintained or increased  Target met  Actual: Real price reductions to mobile and fixed-line plans have continued, albeit at a slower rate compared to previous years. Monitoring affordability of telecommunications remains important for ongoing awareness of digital inclusion, in particular for low income earners. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021–22 cont. | Access to communications for people with a disability, indicated through:   1. National Relay Service performance quarterly reports on user numbers 2. audio description implementation by the national broadcasters 3. broadcaster captioning compliance | Target: Reporting in each financial year indicates access is maintained or increased  Target met  Actual: We maintained the impact of our programs in 2021–22.  The amount of audio description provided by the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service (SBS) increased during 2021–22. |
| Complaints data: post | Reporting in 2021–22 shows maintained or improved consumer experience  Data not available  Data was not available for quarter 4 at the time of reporting. |
| Complaints data: telecommunications | Reporting in 2021–22 shows maintained or improved consumer experience  Data not available  Data was not available for quarter 4 at the time of reporting. Complaints figures in quarter 1, quarter 2 and quarter 3 during 2021–22 were equal to or lower than the equivalent periods in 2020–21. |
| NBN consumer experience (d) | Reporting in each financial year shows positive consumer experience  Target met  Data shows that NBN consumer experience metrics met expected performance levels during 2021–22. |
| Percentage of premises in fixed line areas able to access gigabit speeds (d) | Target: 75% of the fixed line NBN enabled for gigabit speeds by 2023  Target not met  Actual: NBN Co reports that as at 30 June 2022, the number of premises in the fixed line footprint able to access gigabit speeds is 5.1 million, or approximately 48%. |
| NBN complex connection premises completed (d) | Target: Reduction to zero of complex connections premises (Yet to Ready-to-Connect)  Target partially met  Actual: NBN Co had reduced complex connections from less than 12,000 at 30 June 2021 to around 5,600 at 30 June 2022.  NBN Co completed over half of the remaining complex connections during 2021–22, but was not able to meet the target of reducing complex connections to zero due to delays in the rollout of fixed-line services in Parramatta (due to outstanding heritage approvals) and delays in fixed wireless towers going live. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021–22 cont. | Investment as a proportion of output in the communications sector (d) | No target  Sector investment decisions are on a commercial basis, affected by many factors including COVID-19, and are often made by entities not captured by the regulatory framework  Analysis will show trends over coming years with the long-run average (June 1990 to June 2020) is around 35%  No target  The result was 34.9% in 2020–21.  This is the latest available data. Calculations are based on data available from end October 2021. |
| GDP contribution enabled by the communications sector (d) | Annual target setting not appropriate, results sought are long term. GDP contribution should generally be maintained or increased over time  $852.960 billion in 2019–20  This is the latest available data. Calculations are based on data available from end May 2022. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | Amount of new and improved mobile coverage delivered in regions under the Mobile Black Spot Program | ≥90% of total contracted (predictive) coverage is delivered through new assets for which asset completion reports are received in the financial year |
| Access to Viewer Access Satellite Television (VAST), for viewers in terrestrial blackspots to receive direct-to-home free to air television safety net service | In each financial year, satellite free-to-air television services, including on-air availability requirements, maintained in accordance with the legislative and contractual arrangements. |
| Affordability of telecommunications services (mobile and fixed) on offer | Reporting in financial year indicates affordability is maintained or increased. |
| *Effectiveness of support for sustainability of news and media industry* | 100% of grant opportunities are published/announced and 100% of grant agreements executed are consistent with the program objectives.  95% of eligible applicants received funds within 4 weeks of decision. |
| Access to communications for people with a disability, indicated through:   1. National Relay Service (NRS) performance 2. audio description implementation by the national broadcasters 3. broadcaster captioning compliance | Reporting in each financial year indicates access is maintained or improved.  NRS: Provider meets or exceeds contractual service levels.  Audio description: National broadcasters provide no less than 14 hours per week, on average, of audio described content.  Captioning: Broadcasters meet or exceed statutory captioning obligations. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 cont. | *Levels of consumer complaint in telecommunications and post sectors* (e) | Twelve month reporting shows maintained or improved consumer experience. |
| *Effectiveness of the current Australian content and classification frameworks* (e)(f) | Reporting in each financial year shows organisations are meeting or exceeding statutory obligations:   1. Australian content quota compliance and the existence of public data on Australian content available on streaming video on demand services 2. 100% of Classification decisions by the Classification Board and Classification Review Board made and published on the National Classification Database within statutory timeframes. |
| Forward Estimates 2023–26 | Amount of new and improved mobile coverage delivered in regions under the Mobile Black Spot Program | ≥90% of total contracted (predictive) coverage is delivered through new assets for which asset completion reports are received in the financial year. |
|  | Access to Viewer Access Satellite Television (VAST), for viewers in terrestrial blackspots to receive direct-to-home free to air television safety net service | In each financial year, satellite free-to-air television services, including on-air availability requirements, maintained in accordance with the legislative and contractual arrangements. |
|  | Affordability of telecommunications services (mobile and fixed) on offer | Reporting in financial year indicates affordability is maintained or increased. |
|  | *Effectiveness of support for sustainability of news and media industry* | Sustainability of the news and media industry improves.  Number of media organisations receiving grant funding and outcomes achieved from that funding. |
|  | Access to communications for people with a disability, indicated through:   1. National Relay Service (NRS) performance 2. audio description implementation by the national broadcasters 3. broadcaster captioning compliance | Reporting in each financial year indicates access is maintained or increased. |
|  | *Levels of consumer complaint in telecommunications and post sectors*(e) | Twelve month reporting shows maintained or improved consumer experience. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 cont. | *Effectiveness of the current Australian content and classification frameworks* (e)(f) | Reporting in each financial year shows organisations are meeting or exceeding statutory obligations:   1. Australian content quota compliance and the existence of public data on Australian content available on streaming video on demand services 2. 100% of Classification decisions by the Classification Board and Classification Review Board made and published on the National Classification Database within statutory timeframes. |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. The following key activities referenced in the 2021–22 Corporate Plan have been removed:

* Provide policy advice and operational support to the classification regulatory framework
* Support and advocate Australia’s interests in international telecommunications, internet governance and postal forums
* Advise on postal sector policy, including Australia Post governance and performance
* Provide policy advice for inclusive telecommunications access, including the modernization of consumer safeguards, and oversee the performance of public interest services
* Advise on and deliver policy and programs that enable the telecommunications industry to provide services that meet the needs of people and businesses in Australia.

1. New key activity that is reflected in the 2022–23 Corporate Plan.
2. Refers to updated key activity that is reflected in the 2022–23 Corporate Plan.
3. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan
4. This 2022–23 measure combines two 2021—22 measures.
5. This measure is linked to Program 5.1 Digital Technologies and Communications Services and Program 6.1 Arts and Cultural Development.

2.6 Budgeted expenses and performance for Outcome 6

|  |
| --- |
| Outcome 6: Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression |

##### **Budgeted expenses for Outcome 6**

This table shows how much the Department intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

**Table 2.6.1: Budgeted expenses for Outcome 6**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | 2022-23  Budget  $'000 | | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **Program 6.1: Arts and Cultural Development** |  | |  | | |  | |  | |  | |
| Administered expenses |  | |  | | |  | |  | |  | |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | 479,011 | | 346,850 | | | 285,810 | | 281,675 | | 284,197 | |
| Special accounts |  | |  | | |  | |  | |  | |
| National Cultural Heritage Account | 500 | | 500 | | | 500 | | 500 | | 500 | |
| Payments to corporate entities (a) | 495,092 | | 512,612 | | | 485,206 | | 492,926 | | 499,030 | |
| Expenses not requiring appropriation in the Budget year (b) | (34,763) | | - | | | - | | - | | - | |
| **Total expenses for Program 6.1** | **939,840** | | **859,962** | | | **771,516** | | **775,101** | | **783,727** | |
| **Program 6.2 Program Support for Outcome 6** | |  | |  |  | |  | |  | |
| Departmental expenses | |  | |  |  | |  | |  | |
| Departmental appropriation | | 53,955 | | 53,099 | 51,026 | | 46,133 | | 46,259 | |
| s74 external revenues (c) | | 5,756 | | 7,873 | 8,973 | | 9,330 | | 9,330 | |
| Special Accounts | |  | |  |  | |  | |  | |
| Art Rental Special Account | | 3,615 | | 2,982 | 2,982 | | 2,982 | | 2,982 | |
| Indigenous Repatriation Special Account | | 394 | | 1,860 | 706 | | 706 | | 706 | |
| Services for Other Entities and Trust Money Special Account (d) | | 1,085 | | 181 | 394 | | 392 | | 392 | |
| Expenses not requiring appropriation in the Budget year (e) | | 2,202 | | 395 | 393 | | 393 | | 393 | |
| **Total expenses for Program 6.2** | | **67,007** | | **66,390** | **64,474** | | **59,936** | | **60,062** | |

**Table 2.6.1: Budgeted expenses for Outcome 6 (continued)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $’000 | 2022-23  Budget  $’000 | 2023-24 Forward estimate $’000 | 2024-25 Forward estimate $’000 | 2025-26 Forward estimate $’000 |
| **Outcome 6 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary Annual Services (Appropriation Act No. 1 and Bill No. 3) | 479,011 | 346,850 | 285,810 | 281,675 | 284,197 |
| Special accounts | 500 | 500 | 500 | 500 | 500 |
| Payments to corporate entities (a) | 495,092 | 512,612 | 485,206 | 492,926 | 499,030 |
| Expenses not requiring appropriation in the Budget year (b) | (34,763) | - | - | - | - |
| **Total administered expenses** | **939,840** | **859,962** | **771,516** | **775,101** | **783,727** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 55,464 | 61,466 | 60,493 | 50,640 | 50,766 |
| s74 external revenues (c) | 5,756 | 7,873 | 8,973 | 9,330 | 9,330 |
| Special accounts | 5,094 | 5,023 | 4,082 | 4,080 | 4,080 |
| Expenses not requiring appropriation in the Budget year (e) | 2,202 | 395 | 393 | 393 | 393 |
| **Total departmental expenses** | **68,516** | **74,757** | **73,941** | **64,443** | **64,569** |
| **Total expenses for Outcome 6** | **1,008,356** | **934,719** | **845,457** | **839,544** | **848,296** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Movement of administered funds between years** (f) |  |  |  |  |  |
| Program 6.1: Arts and Cultural Development | (50,000) | 50,000 | - | - | - |
| **Total movement of administered funds between years** | **(50,000)** | **50,000** | **-** | **-** | **-** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 225 | 222 |

1. Relates to appropriation for corporate entities that is provided through the Department.
2. Administered ‘Expenses not requiring appropriation in the Budget year’ comprises expenses relating to expenses recovered from industry, accruals, payments made from prior year appropriations and other non–cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
4. The Cultural Special Account sunset on 1 October 2021. Payments have been transferred to the Services for Entities and Other Trust Moneys Special Account.
5. Departmental ‘Expenses not requiring appropriation in the Budget year’ are made up of depreciation expenses, amortisation expenses, which exclude right of use assets.
6. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.6.2: Program components of Outcome 6

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated  actual $’000 | 2022-23  Budget  $’000 | 2023-24 Forward estimate $’000 | 2024-25 Forward estimate $’000 | 2025-26 Forward estimate $’000 |
| **Components for Program 6.1: Arts and Cultural Development** | | |  |  |  |
| Administered expenses |  |  |  |  |  |
| Arts and Cultural Development | 159,330 | 24,348 | 2,503 | 2,530 | 2,552 |
| Arts Training | 22,119 | 32,057 | 23,436 | 24,021 | 24,508 |
| Australian Music | 6,375 | 6,375 | 5,000 | - | - |
| Awards | 652 | 658 | 665 | 669 | 672 |
| Collections | 8,489 | 11,115 | 5,907 | 5,998 | 6,070 |
| Depreciation and Amortisation | 2,618 | 2,389 | 2,389 | 2,389 | 2,389 |
| Film and Television | 145,018 | 178,132 | 153,647 | 153,731 | 153,798 |
| Indigenous Arts, Languages and Repatriation | 53,782 | 55,821 | 59,433 | 58,653 | 59,816 |
| Lending Rights | 23,075 | 23,613 | 24,887 | 25,535 | 26,072 |
| Private Sector Support | 4,728 | 4,807 | - | - | - |
| Regional Arts | 18,062 | 7,535 | 7,943 | 8,149 | 8,320 |
| Special Accounts |  |  |  |  |  |
| National Cultural Heritage Account | 500 | 500 | 500 | 500 | 500 |
| Payments to corporate entities (a) |  |  |  |  |  |
| * Australia Council | 219,794 | 220,531 | 235,977 | 241,259 | 245,466 |
| * Australian Film, Television and Radio School | 22,738 | 22,997 | 23,886 | 24,199 | 24,401 |
| * Australian National Maritime Museum | 24,125 | 24,017 | 20,912 | 21,020 | 21,084 |
| * National Film and Sound Archive of Australia | 28,026 | 29,702 | 31,284 | 31,789 | 32,490 |
| * National Gallery Australia | 49,592 | 48,045 | 46,473 | 46,944 | 47,242 |
| * National Library Australia | 57,493 | 60,989 | 48,033 | 48,370 | 48,600 |
| * National Museum Australia | 41,383 | 50,912 | 39,687 | 39,982 | 40,144 |
| * National Portrait Gallery of Australia | 12,475 | 12,615 | 12,255 | 12,429 | 12,526 |
| * Old Parliament House | - | 14,970 | 14,665 | 14,711 | 14,722 |
| * Screen Australia | 39,466 | 27,834 | 12,034 | 12,223 | 12,355 |
| **Total expenses for Program 6.1** | **939,840** | **859,962** | **771,516** | **775,101** | **783,727** |

1. Relates to appropriation for corporate entities provided through the Department.

Table 2.6.3: Performance measure for Outcome 6

Table 2.6.3 details the performance measures for each program associated with Outcome 6. 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 6** – Participation in, and access to, Australia’s arts and culture through developing and supporting cultural expression | | |
| **Program 6.1** – **Arts and Cultural Development**  To provide an environment in which all Australians can access and benefit from creative experiences and culture, supporting inclusiveness and growth in Australia’s creative sector, and protecting and promoting Australian content and culture. | | |
| **Key Activities**(a) | * Deliver policy and programs that support the cultural and creative sectors and enable all Australians to access and participate in cultural and creative activities * Deliver policies and programs to support Australian cultural heritage, including Indigenous cultural heritage, arts, languages and repatriation | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 | Progress against the National Arts and Disability Strategy (Strategy) | Target: Strategy is renewed in 2021–22 and the arts and disability resource hub is maintained  Target not met  Actual: As a result of a decision of government, the renewal of the National Arts and Disability Strategy was progressed under the framework of Australia’s Disability Strategy. The work is well progressed and will be subject to government consideration and further targeted consultation in the first half of 2022–23.  The arts and disability resource hub was maintained. |
| Number of students enrolled in courses at national performing arts training organisations | Target: ≥800 students in 2021  Target met  Actual: In 2021, there were 1,084 students enrolled in accredited courses at the National Performing Arts Training Organisations in 2021. |
| Number of claimants (including authors, illustrators and publishers) to receive funding through lending rights | Target: ≥16,000 claimants in the financial year  Target met  Actual: Under the public and educational lending right schemes, $23.1 million was provided through 17,508 payments to eligible claimants, and to administer the scheme. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Artbank operations, number of:   1. artworks purchased 2. artworks leased 3. clients(d) | Purchasing decisions must be responsive to market conditions; and client interactions are market driven  It is not appropriate to set targets for Artbank as operations are responsive to market conditions and both its policy objectives are subject to market fluctuations.  In 2021–22, there were:   1. 71 artworks purchased 2. 4,098 artworks leased 3. 561 clients |
| Number of art centres and art fairs funded through the Indigenous Visual Arts Industry Support (IVAIS) program | Target: ≥80 centres in the financial year  Target met  Actual: In 2021–22, 84 Indigenous art centres have been funded through the IVAIS program. |
| Number of Indigenous language centres funded under the Indigenous Languages and Arts (ILA) program | Target: ≥20 centres in the financial year  Target met  Actual: In 2021–22, 20 Indigenous language centres were provided with annual operational funding. |
| Impact of our activities to support, preserve and celebrate Indigenous languages, arts and culture, indicated through:   1. number and strength of Aboriginal and Torres Strait Islander languages being spoken 2. number of Indigenous art centre workers employed and artists active with funded art centres | 1. No target as new data is not expected for 2021–22. In 2021–22, we are establishing a pilot program to capture data and evaluate the progress of activities delivered by ILA program grant recipients against the 10-year target for ‘Closing the Gap Target 16’ for Aboriginal and Torres Strait Islander languages 2. Reporting in 2021–22 shows ≥450 Indigenous art centre workers employed and ≥8000 artists engaged in report year.   Data not available   1. No target   In 2021–22, a pilot program was established to capture data and evaluate the progress of activities delivered by Indigenous Languages and Arts program grant recipients against the 10-year target for ‘Closing the Gap Target 16’ for Aboriginal and Torres Strait Islander languages.   1. Full year data was not available at the time of reporting.   Reporting to 31 December 2021 shows 519 (>450) Indigenous art centre workers employed and 7536 artists engaged across 84 art centres. The number of artists engaged of <8000 is likely due to impacts of COVID-19 in remote communities. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021–22 cont. | Activities to support the repatriation of Aboriginal and Torres Strait Islander ancestral remains and secret sacred objects:   1. number of new agreements to repatriate ancestral remains from overseas 2. number of ancestral remains and/or secret sacred objects repatriated to their community 3. number of ancestral remains repatriated to Australia with no known community | Activities are responsive to domestic and international negotiations  No target  International Repatriation – Three agreements to repatriate were received from Swedish, Swiss and German collecting institutions. Two return to Country ceremonies were held in Adelaide in 2021–22. This saw 12 ancestors, who had been repatriated from the United Kingdom in 1991 and 2000, returned to Country for final resting.  Domestic Repatriation – Seven eligible Australian museums were provided $0.48 million funding through the Indigenous Repatriation Program – Museum Grants to undertake repatriation activities. This resulted in the transfer of custodianship of 371 ancestors to their traditional custodians. |
| Regulatory activities undertaken under the *Protection of Movable Cultural Heritage Act 1986* (b) | Actions taken are in response to applications for permits received and objects identified for investigation  No target  Actions taken are in response to applications for export permits received and foreign objects identified for investigation  In 2021–22, there were:   * 9 permanent export permits issued * 1 permanent export permit refused * 3 certificates of exemption issued * 6 temporary export permits issued * 1 permanent export permit variation issued * 5 applications to the National Cultural Heritage Account approved.   Unlawful imports — return of protected foreign cultural property: 333 foreign objects were seized in a single seizure for future return to another country, and 7 foreign objects were returned to 4 countries. |
| Contribution of cultural and creative sectors to the economy (b) | No target set for 2021–22 as results likely to be heavily impacted by COVID-19  Finalised data not available at time of reporting. |
| Donations and bequests reported by arts and culture charities (b) | No target set for 2021–22 as results likely to be heavily impacted by COVID-19  No target  Organisations on the Register of Cultural Organisations who provided statistical returns reported $151.4 million in private sector support in 2020–21 (latest available data). |

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** | |
| Prior year  2021–22 cont. | Impact of our arts and cultural activities to support regional access and participation, indicated through:   1. projected audience numbers/ participants involved with funded projects 2. number of regional/remote locations that hosted funded projects | 2021–22 data will establish a benchmark; however, it is not envisaged that the number will increase each year, given the variety of projects funded and that the programs are demand driven  No target   1. Estimated audience: over 6.2 million Estimated participation: over 1.1 million 2. Estimated number of locations: over 1,200. | |
| Engagement with the national cultural institutions (NCIs), indicated through:   1. number of in-person visits to engage with national collecting institutions (including on and off-site visits) 2. percentage of objects in national collections accessible online 3. number of web visits to the NCIs(b) | Maintain or increase 2021–22 annual engagement results compared to annual averages since 2012–13 (when the engagement indicators were established). In person visits will be impacted by COVID-19  Target partially met   1. target not met: 5.3 million 2. target met: 15.3% 3. target not met: 41.8 million. | |
| Effectiveness of the current Australian content framework, indicated through:   1. Australian content quota compliance 2. the existence of public data on Australian content available on streaming video on demand services | Reporting in 2021–22 shows frameworks are effective  Target met  Reporting in 2020–21 showed positive results across the content framework | |
| Effectiveness of the current copyright framework, indicated through:   1. amount of copyright distributions paid to creators by the copyright collecting societies 2. annual Consumer Survey on Online Copyright Infringement (b) | Reporting in 2021–22 shows frameworks are effective  Target met  Reporting in 2020–21 showed positive results across the copyright framework |
| Number of decisions made and proportion within statutory timeframes by:   1. Classification Board 2. Classification Review Board | Decision-making is based on industry demand  Target met  Decisions of the Classification Board and Classification Review Board were within the specified statutory timeframes |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022–23 | *Progress against the National Arts and Disability Associated Plan* | The National Arts and Disability Strategy is renewed and implemented as a Commonwealth-only National Arts and Disability Associated Plan including updating and maintaining the arts and disability resource hub. |
| Number of students enrolled in courses at national performing arts training organisations | ≥800 students in each calendar year. |
| Number of payments made to claimants (including authors, illustrators and publishers) through lending rights | ≥16,000 payments to claimants in each financial year. |
| Number of art centres and art fairs funded through the Indigenous Visual Arts Industry Support (IVAIS) program | ≥80 centres in each financial year. |
| Repatriation activities that support:   1. securing new international agreements and facilitation of the repatriation of Aboriginal and Torres Strait Islander ancestral remains (ancestors) 2. funding agreements executed under the Indigenous Repatriation Program – Museum Grants and facilitation of the repatriation of ancestors and secret sacred objects | Activities are responsive to domestic and international negotiations. |
| Impact of our arts and cultural activities to support regional access and participation, indicated through:   1. projected audience numbers/ participants involved with funded projects 2. number of regional/remote locations that hosted funded projects | 2021–22 was the first year of data capture. It is not envisaged that the numbers will increase each year, given the variety of projects funded and that the programs are competitive grant programs. |
| *Effectiveness of the current Australian content and classification frameworks* (a)(c)(d) | Reporting in each financial year shows organisations are meeting or exceeding statutory obligations:   1. Australian content quota compliance and the existence of public data on Australian content available on streaming video on demand services 2. 100% of Classification decisions by the Classification Board and Classification Review Board made and published on the National Classification Database within statutory timeframes. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 | *Progress against the National Arts and Disability Associated Plan* | National Arts and Disability Associated Plan is implemented, including maintaining the arts and disability resource hub. |
| Number of students enrolled in courses at national performing arts training organisations | ≥800 students in each calendar year. |
| Number of payments made to claimants (including authors, illustrators and publishers) through lending rights | ≥16,000 payments to claimants in each financial year. |
| Number of art centres and art fairs funded through the Indigenous Visual Arts Industry Support (IVAIS) program | ≥80 centres in each financial year. |
| *Impact of our activities to support Indigenous visual arts, languages and culture indicated through the number of Indigenous language centres and Indigenous art centres funded, the number of arts workers employed and artists active with funded art centres* (c) | Reporting in each financial year shows:   1. ≥20 language centres in the financial year funded 2. ≥450 Indigenous art centre workers employed; and 3. ≥8000 artists engaged. |
| Repatriation activities that support:   1. securing new international agreements and facilitation of the repatriation of Aboriginal and Torres Strait Islander ancestral remains (ancestors) 2. funding agreements executed under the Indigenous Repatriation Program – Museum Grants and facilitation of the repatriation of ancestors and secret sacred objects | Activities are responsive to domestic and international negotiations. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates 2023–26 cont. | Impact of our arts and cultural activities to support regional access and participation, indicated through:   1. projected audience numbers/ participants involved with funded projects 2. number of regional/remote locations that hosted funded projects | 2021–22 was the first year of data capture. It is not envisaged that the numbers will increase each year, given the variety of projects funded and that the programs are competitive grant programs |
| Effectiveness of the current Australian content and classification frameworks (c)(d) | *Reporting in each financial year shows organisations are meeting or exceeding statutory obligations:*   * *Australian content quota compliance and the existence of public data on Australian content available on streaming video on demand services* * *100% of Classification decisions by the Classification Board and Classification Review Board made and published on the National Classification Database within statutory timeframes.* |

New or modified performance measures that reflect new or materially changed programs are shown in *italics.*

1. 2021–22 key activities ‘Provide policy advice and operational support to the classification regulatory framework’ and ‘Provide policy advice and program delivery on the news and media industry, copyright and content frameworks’ referenced in the 2021–22 Corporate Plan, deleted as the copyright function transferred to the Attorney-General’s Department on 1 July 2022. As a result, the performance framework has changes to one performance measure relating to our content and classification frameworks.
2. Final reporting period for this measure. Further details are included in the 2022–23 Corporate Plan.
3. This 2022–23 measure combines two 2021–22 measures.
4. This measure is linked to Program 5.1 Digital Technologies and Communications Services and Program 6.1 Arts and Cultural Development.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the Department’s finances for the 2022-23 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

**Departmental**

The Department is budgeting to break even in 2022-23 and the forward estimates, after adjusting for depreciation and amortisation expenses, and adjustments for leases.

Expenses and revenue from government have increased since the 2022-23 March Budget due to new measures in the 2022-23 October Budget (including measures with 2022-23 funding) and indexation.

The Comprehensive Income Statement (showing net cost of services) for the periods ended 30 June (Table 3.1) reflects the impacts of these changes.

**Administered**

Administered Expenses have increased since the 2022-23 March Budget due to new measures in the 2022-23 October Budget (including measures with 2022-23 funding) and indexation. Further details on measures can be found in the 2022-23 measures table (Table 1.2).

The Schedule of Budgeted Income and Expenses administered on behalf of Government for the periods ended 30 June (Table 3.7) reflects the impact of these changes.

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 241,662 | 261,106 | 259,514 | 218,644 | 209,517 |
| Suppliers | 134,293 | 131,408 | 120,538 | 137,429 | 134,052 |
| Grants | 7,873 | 4,400 | 2,200 | - | - |
| Depreciation and amortisation (a) | 38,266 | 36,963 | 36,910 | 36,910 | 36,910 |
| Finance costs | 1,140 | 2,008 | 1,890 | 1,890 | 1,890 |
| Write-down and impairment of assets | 1,375 | - | - | - | - |
| **Total expenses** | **424,609** | **435,885** | **421,052** | **394,873** | **382,369** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Revenue from contracts with customers | 7,205 | 6,330 | 6,330 | 6,330 | 6,330 |
| Rental income | 4,869 | 1,954 | 1,954 | 1,954 | 1,954 |
| Other revenue | 3,129 | 5,580 | 6,707 | 6,707 | 6,707 |
| **Total own-source revenue** | **15,203** | **13,864** | **14,991** | **14,991** | **14,991** |
| **Gains** |  |  |  |  |  |
| Other gains | 298 | 570 | 570 | 570 | 570 |
| **Total gains** | **298** | **570** | **570** | **570** | **570** |
| **Total own-source income** | **15,501** | **14,434** | **15,561** | **15,561** | **15,561** |
| **Net (cost of)/contribution by services** | **(409,108)** | **(421,451)** | **(405,491)** | **(379,312)** | **(366,808)** |
| Revenue from Government | 414,308 | 404,420 | 388,576 | 362,397 | 349,893 |
| **Surplus/(deficit) attributable to the Australian Government** | **5,200** | **(17,031)** | **(16,915)** | **(16,915)** | **(16,915)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 4,606 | **-** | **-** | **-** | **-** |
| **Total other comprehensive income** | **4,606** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **9,806** | **(17,031)** | **(16,915)** | **(16,915)** | **(16,915)** |

Note: Impact of net cash appropriation arrangements

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Total comprehensive income/(loss) as per statement of Comprehensive Income** | **9,806** | **(17,031)** | **(16,915)** | **(16,915)** | **(16,915)** |
| plus: depreciation/amortisation of assets previously funded through appropriations (a) | 16,666 | 16,795 | 16,678 | 16,678 | 16,678 |
| plus: depreciation of ROU (b) | 21,600 | 20,168 | 20,232 | 20,232 | 20,232 |
| less: principal repayments (b) | (21,666) | (19,932) | (19,995) | (19,995) | (19,995) |
| **Net Cash Operating Surplus/(Deficit)** | **26,406** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

* + - * 1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.
        2. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 17,339 | 18,384 | 18,384 | 18,384 | 18,384 |
| Trade and other receivables | 161,719 | 144,069 | 143,509 | 143,704 | 143,899 |
| Other financial assets | 3,431 | 3,431 | 3,431 | 3,431 | 3,431 |
| ***Total financial assets*** | ***182,489*** | ***165,884*** | ***165,324*** | ***165,519*** | ***165,714*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 113,261 | 91,123 | 68,941 | 46,853 | 22,946 |
| Property, plant and equipment | 20,318 | 16,620 | 15,368 | 12,098 | 11,598 |
| Intangibles | 53,563 | 76,254 | 75,402 | 74,517 | 72,659 |
| Heritage and cultural assets | 42,516 | 42,374 | 42,232 | 42,090 | 41,948 |
| Other non-financial assets | 7,335 | 7,335 | 7,335 | 7,335 | 7,335 |
| ***Total non-financial assets*** | ***236,993*** | ***233,706*** | ***209,278*** | ***182,893*** | ***156,486*** |
| **Total assets** | **419,482** | **399,590** | **374,602** | **348,412** | **322,200** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 28,166 | 25,966 | 27,598 | 34,715 | 30,812 |
| Other payables | 5,246 | 5,246 | 7,579 | 1,293 | 5,939 |
| ***Total payables*** | ***33,412*** | ***31,212*** | ***35,178*** | ***36,008*** | ***36,751*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 98,148 | 79,457 | 60,712 | 40,717 | 20,722 |
| ***Total interest bearing liabilities*** | ***98,148*** | ***79,457*** | ***60,712*** | ***40,717*** | ***20,722*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 78,579 | 84,153 | 78,213 | 77,383 | 76,640 |
| Other provisions | 631 | 631 | 631 | 631 | 631 |
| ***Total provisions*** | ***79,210*** | ***84,784*** | ***78,844*** | ***78,014*** | ***77,271*** |
| **Total liabilities** | **210,770** | **195,453** | **174,734** | **154,739** | **134,744** |
| **Net assets** | **208,712** | **204,137** | **199,868** | **193,673** | **187,456** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 32,826 | 45,282 | 56,493 | 67,018 | 77,521 |
| Reserves | 46,607 | 46,607 | 46,607 | 46,607 | 46,607 |
| Accumulated surplus | 129,279 | 112,248 | 96,768 | 80,048 | 63,328 |
| ***Total parent entity interest*** | ***208,712*** | ***204,137*** | ***199,868*** | ***193,673*** | ***187,456*** |
| **Total equity** | **208,712** | **204,137** | **199,868** | **193,673** | **187,456** |

Prepared on Australian Accounting Standards basis.Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 129,279 | 46,607 | 32,826 | 208,712 |
| ***Adjusted opening balance*** | ***129,279*** | ***46,607*** | ***32,826*** | ***208,712*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (17,031) | - | - | (17,031) |
| ***Total comprehensive income*** | ***(17,031)*** | ***-*** | ***-*** | ***(17,031)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (17,031) | - | - | (17,031) |
| **Transactions with owners** |  |  |  |  |
| Departmental capital budget (DCB) | - | - | 12,456 | 12,456 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***12,456*** | ***12,456*** |
| **Estimated closing balance as at 30 June 2023** | **112,248** | **46,607** | **45,282** | **204,137** |
| **Closing balance attributable to the Australian Government** | **112,248** | **46,607** | **45,282** | **204,137** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 424,199 | 416,412 | 380,005 | 355,084 | 342,580 |
| Revenue from contracts with customers | 4,948 | - | - | - | - |
| GST received | 15,402 | 15,402 | 15,402 | 15,402 | 15,402 |
| Other | 6,877 | 4,680 | 5,807 | 5,807 | 5,807 |
| ***Total cash received*** | ***451,426*** | ***436,494*** | ***401,214*** | ***376,293*** | ***363,789*** |
| **Cash used** |  |  |  |  |  |
| Employees | 238,913 | 252,772 | 260,022 | 241,240 | 212,856 |
| Suppliers and Grants | 184,468 | 140,737 | 119,307 | 113,168 | 129,048 |
| Interest payments on lease liability | 1,140 | 1,942 | 1,824 | 1,824 | 1,824 |
| Other | - | 66 | 66 | 66 | 66 |
| ***Total cash used*** | ***424,521*** | ***395,517*** | ***381,219*** | ***356,298*** | ***343,794*** |
| **Net cash from/(used by) operating activities** | **26,905** | **40,977** | **19,995** | **19,995** | **19,995** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of land, buildings, property, plant and equipment and intangibles | 28,984 | 32,456 | 11,250 | 10,547 | 10,525 |
| ***Total cash used*** | ***28,984*** | ***32,456*** | ***11,250*** | ***10,547*** | ***10,525*** |
| **Net cash from/(used by) investing activities** | **(28,984)** | **(32,456)** | **(11,250)** | **(10,547)** | **(10,525)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 28,984 | 12,456 | 11,250 | 10,547 | 10,525 |
| ***Total cash received*** | ***28,984*** | ***12,456*** | ***11,250*** | ***10,547*** | ***10,525*** |
| **Cash used** |  |  |  |  |  |
| Principle payments on lease liability | 21,666 | 19,932 | 19,995 | 19,995 | 19,995 |
| ***Total cash used*** | ***21,666*** | ***19,932*** | ***19,995*** | ***19,995*** | ***19,995*** |
| **Net cash from/(used by) financing activities** | **7,318** | **(7,476)** | **(8,745)** | **(9,448)** | **(9,470)** |
| **Net increase/(decrease) in cash held** | **5,239** | **1,045** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 12,100 | 17,339 | 18,384 | 18,384 | 18,384 |
| **Cash and cash equivalents at the end of the reporting period** | **17,339** | **18,384** | **18,384** | **18,384** | **18,384** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Act No. 1 and Bill 3 (DCB) | 20,989 | 12,456 | 11,250 | 10,547 | 10,525 |
| **Total new capital appropriations** | **20,989** | **12,456** | **11,250** | **10,547** | **10,525** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 20,989 | 12,456 | 11,250 | 10,547 | 10,525 |
| **Total items** | **20,989** | **12,456** | **11,250** | **10,547** | **10,525** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation - DCB (a) | 20,989 | 12,456 | 11,250 | 10,547 | 10,525 |
| Funded internally from departmental resources (b) | 12,040 | 20,000 | - | - | - |
| **TOTAL** | **33,029** | **32,456** | **11,250** | **10,547** | **10,525** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 33,029 | 32,456 | 11,250 | 10,547 | 10,525 |
| **Total cash used to acquire assets** | **33,029** | **32,456** | **11,250** | **10,547** | **10,525** |

Prepared on Australian Accounting Standards basis.

1. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).
2. Includes the following s74 external receipts.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Heritage and cultural  $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 34,873 | 34,216 | 101,600 | 43,038 | 213,727 |
| Gross book value - ROU assets | 158,489 | 167 | - | - | 158,656 |
| Accumulated depreciation / amortisation and impairment | (14,879) | (13,948) | (48,037) | (522) | (77,386) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (65,222) | (117) | - | - | (65,339) |
| **Opening net book balance** | **113,261** | **20,318** | **53,563** | **42,516** | **229,658** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | 480 | 1,174 | 30,782 | - | 32,436 |
| By purchase - appropriation ordinary annual services - ROU assets | 1,225 | 16 | - | - | 1,241 |
| **Total additions** | **1,705** | **1,190** | **30,782** | **-** | **33,677** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | (3,690) | (4,873) | (8,090) | (142) | (16,795) |
| Depreciation/amortisation on ROU assets | (20,153) | (15) | - | - | (20,168) |
| **Total other movements** | **(23,843)** | **(4,888)** | **(8,090)** | **(142)** | **(36,963)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 35,353 | 35,390 | 132,382 | 43,038 | 246,163 |
| Gross book value - ROU assets | 159,714 | 183 | - | - | 159,897 |
| Accumulated depreciation / amortisation and impairment | (18,569) | (18,821) | (56,127) | (664) | (94,181) |
| Accumulated depreciation / amortisation and impairment - ROU assets | (85,375) | (132) | - | - | (85,507) |
| **Closing net book balance** | **91,123** | **16,620** | **76,255** | **42,374** | **226,372** |

Prepared on Australian Accounting Standards basis.

* + - * 1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 15,871 | 16,948 | 17,284 | 16,770 | 16,856 |
| Suppliers | 586,428 | 700,419 | 555,069 | 573,489 | 656,147 |
| Subsidies | 1,832,724 | 1,017,995 | 1,058,359 | 1,085,154 | 1,142,680 |
| Grants | 6,800,195 | 4,680,531 | 6,072,852 | 6,004,148 | 5,964,847 |
| Depreciation and amortisation | 50,904 | 62,482 | 47,750 | 47,173 | 47,173 |
| Write-down and impairment of assets | 32,292 | 24,559 | 32,025 | 33,587 | 30,381 |
| Payments to corporate entities | 2,116,640 | 2,160,012 | 2,147,426 | 2,173,742 | 2,197,347 |
| Other expenses | 99,437 | 148,877 | 438,407 | 253,914 | 183,241 |
| **Total expenses** | **11,534,491** | **8,811,823** | **10,369,172** | **10,187,977** | **10,238,672** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 34,160 | 29,872 | 27,307 | 27,307 | 24,200 |
| ***Total taxation revenue*** | ***34,160*** | ***29,872*** | ***27,307*** | ***27,307*** | ***24,200*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Revenue from contracts with customers | 43,807 | 52,891 | 52,818 | 52,793 | 50,156 |
| Fees and fines | 149,640 | 166,853 | 183,151 | 186,406 | 160,325 |
| Interest | 464,431 | 379,632 | 443,187 | 287,315 | 222,918 |
| Dividends | 124,086 | 21,805 | 400 | 12,500 | 3,000 |
| Rental income | 4,485 | 4,382 | 4,525 | 4,657 | 4,657 |
| Other revenue | 5,344 | 9,865 | 29,580 | 35,738 | 39,690 |
| ***Total non-taxation revenue*** | ***791,793*** | ***635,428*** | ***713,661*** | ***579,409*** | ***480,746*** |
| **Total own-source revenue** | **825,953** | **665,300** | **740,968** | **606,716** | **504,946** |
| **Gains** |  |  |  |  |  |
| Sale of assets | 27,610 | - | - | - | - |
| Other gains | 1,253 | - | - | - | - |
| **Total gains** | **28,863** | **-** | **-** | **-** | **-** |
| **Total own-sourced income** | **854,816** | **665,300** | **740,968** | **606,716** | **504,946** |
| **Net (cost of)/contribution by services** | **(10,679,675)** | **(8,146,523)** | **(9,628,204)** | **(9,581,261)** | **(9,733,726)** |
| **Surplus/(deficit)** | **(10,679,675)** | **(8,146,523)** | **(9,628,204)** | **(9,581,261)** | **(9,733,726)** |
| **OTHER COMPREHENSIVE INCOME** | |  |  |  |  |
| Changes in asset revaluation surplus | 1,451,750 | - | - | - | - |
| **Total other comprehensive income** | **1,451,750** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **(9,227,925)** | **(8,146,523)** | **(9,628,204)** | **(9,581,261)** | **(9,733,726)** |

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 50,039 | 50,039 | 50,039 | 50,039 | 50,039 |
| Receivables | 9,204,135 | 8,880,866 | 4,095,935 | 4,872,705 | 5,476,564 |
| Other investments | 38,601,862 | 42,681,499 | 47,599,551 | 52,731,534 | 57,237,016 |
| Other financial assets | 77,577 | 82,305 | 82,305 | 82,305 | 82,305 |
| ***Total financial assets*** | ***47,933,613*** | ***51,694,709*** | ***51,827,830*** | ***57,736,583*** | ***62,845,924*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 224,466 | 210,454 | 189,611 | 191,285 | 211,004 |
| Property, plant and equipment | 492,848 | 537,504 | 609,050 | 611,390 | 592,146 |
| Heritage and cultural assets | 185,576 | 183,695 | 181,810 | 181,010 | 178,573 |
| Intangibles | 4,407 | 4,407 | 4,404 | 4,404 | 4,404 |
| Inventories | 3,067 | 3,067 | 3,067 | 3,067 | 3,067 |
| Other non-financial assets | 3,078 | 3,158 | 3,314 | 3,314 | 3,314 |
| ***Total non-financial assets*** | ***913,442*** | ***942,285*** | ***991,256*** | ***994,470*** | ***992,508*** |
| **Total assets administered on behalf of Government** | **48,847,055** | **52,636,994** | **52,819,086** | **58,731,053** | **63,838,432** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 338,561 | 272,749 | 408,815 | 327,323 | 289,762 |
| Subsidies | 44,675 | 38,573 | 39,744 | 40,387 | 42,545 |
| Grants | 145,219 | 147,657 | 148,613 | 146,243 | 146,293 |
| Other payables | 358,762 | 377,686 | 333,269 | 270,107 | 124,146 |
| ***Total payables*** | ***887,217*** | ***836,665*** | ***930,441*** | ***784,060*** | ***602,746*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,900 | 4,242 | 4,285 | 4,078 | 4,223 |
| Other provisions | 730,196 | 767,772 | 798,268 | 829,598 | 884,662 |
| ***Total provisions*** | ***734,096*** | ***772,014*** | ***802,553*** | ***833,676*** | ***888,885*** |
| **Total liabilities administered on behalf of Government** | **1,621,313** | **1,608,679** | **1,732,994** | **1,617,736** | **1,491,631** |
| **Net assets/(liabilities)** | **47,225,742** | **51,028,315** | **51,086,092** | **57,113,317** | **62,346,801** |

Prepared on Australian Accounting Standards basis.Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Revenue from contracts with customers | 193,798 | 186,090 | 201,902 | 242,856 | 215,138 |
| Dividends | 124,086 | 21,805 | 400 | 12,500 | 3,000 |
| Taxes | 34,160 | 29,272 | 26,707 | 27,307 | 24,200 |
| Other | 217,275 | 10,816 | 30,580 | 36,738 | 39,690 |
| ***Total cash received*** | ***569,319*** | ***247,983*** | ***259,589*** | ***319,401*** | ***282,028*** |
| **Cash used** |  |  |  |  |  |
| Grant payments | 6,749,638 | 4,612,284 | 6,142,153 | 5,995,283 | 5,916,001 |
| Subsidies paid | 1,167,478 | 282,760 | 292,266 | 288,589 | 289,517 |
| Employee benefits | 16,149 | 17,290 | 17,367 | 16,646 | 16,877 |
| Suppliers | 848,106 | 765,886 | 484,729 | 584,848 | 704,922 |
| Payments to corporate entities | 2,118,140 | 2,160,012 | 2,147,426 | 2,173,742 | 2,197,347 |
| Other | 15,684 | 9,650 | 9,790 | 10,313 | 2,801 |
| ***Total cash used*** | ***10,915,195*** | ***7,847,882*** | ***9,093,731*** | ***9,069,421*** | ***9,127,465*** |
| **Net cash from/(used by) operating activities** | **(10,345,876)** | **(7,599,899)** | **(8,834,142)** | **(8,750,020)** | **(8,845,437)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayments of advances and loans | 6,955,623 | 899,150 | 5,529,304 | 46,671 | 107,109 |
| Proceeds from sales of land | 293,000 |  |  |  |  |
| Other | 348,478 | 257,742 | 271,542 | 58,416 | 81,280 |
| ***Total cash received*** | ***7,597,101*** | ***1,156,892*** | ***5,800,846*** | ***105,087*** | ***188,389*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 19,408 | 82,295 | 90,656 | 50,387 | 45,211 |
| Advances and loans made | 457,681 | 663,470 | 941,277 | 1,016,384 | 963,673 |
| Other | 1,527,298 | 4,005,537 | 4,918,052 | 5,131,983 | 4,505,482 |
| ***Total cash used*** | ***2,004,387*** | ***4,751,302*** | ***5,949,985*** | ***6,198,754*** | ***5,514,366*** |
| **Net cash from/(used by) investing activities** | **5,592,714** | **(3,594,410)** | **(149,139)** | **(6,093,667)** | **(5,325,977)** |

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June) (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | 236,570 | - | - | - | - |
| ***Total cash received*** | ***236,570*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **236,570** | **-** | **-** | **-** | **-** |
| ***Net increase/(decrease) in cash held*** | ***(4,516,592)*** | ***(11,194,309)*** | ***(8,983,281)*** | ***(14,843,687)*** | ***(14,171,414)*** |
| Cash and cash equivalents at beginning of reporting period | 41,989 | 50,039 | 50,039 | 50,039 | 50,039 |
| Cash from Official Public Account for: |  |  |  |  |  |
| Appropriations | 12,674,809 | 11,609,074 | 9,443,452 | 15,050,449 | 14,424,006 |
| *Total cash from Official Public Account* | *12,674,809* | *11,609,074* | *9,443,452* | *15,050,449* | *14,424,006* |
| Cash to Official Public Account for: |  |  |  |  |  |
| Appropriations | (8,150,167) | (414,765) | (460,171) | (206,762) | (252,592) |
| *Total cash to Official Public Account* | *(8,150,167)* | *(414,765)* | *(460,171)* | *(206,762)* | *(252,592)* |
| **Cash and cash equivalents at end of reporting period** | **50,039** | **50,039** | **50,039** | **50,039** | **50,039** |

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (ACB) | 18,331 | 39,244 | 26,953 | 19,715 | 18,121 |
| Administered Assets and Liabilities - Bill 2 | 1,455,520 | 3,829,129 | 4,821,771 | 5,017,902 | 4,398,642 |
| **Total new capital appropriations** | **1,473,851** | **3,868,373** | **4,848,724** | **5,037,617** | **4,416,763** |
| ***Provided for:*** |  |  |  |  |  |
| Purchase of non-financial assets | 41,689 | 84,564 | 90,656 | 50,387 | 45,211 |
| Other Items | 1,432,162 | 3,783,809 | 4,758,068 | 4,987,230 | 4,371,552 |
| **Total items** | **1,473,851** | **3,868,373** | **4,848,724** | **5,037,617** | **4,416,763** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 30,102 | 63,095 | 24,604 | 30,710 | 27,090 |
| Funded by capital appropriation - ACB (b) | 21,362 | 28,150 | 66,032 | 19,677 | 18,121 |
| **TOTAL** | **51,464** | **91,245** | **90,636** | **50,387** | **45,211** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total accrual purchases | 51,464 | 91,245 | 90,636 | 50,387 | 45,211 |
| **Total cash used to acquire assets** | **51,464** | **91,245** | **90,636** | **50,387** | **45,211** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes purchases from current and previous years’ Administered Capital Budgets (ACBs).

Table 3.11: Statement of administered asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 76,151 | 151,533 | 501,409 | 185,576 | 4,477 | 919,146 |
| Accumulated depreciation/ amortisation and impairment | - | (3,218) | (8,561) | - | (70) | (11,849) |
| **Opening net book balance** | **76,151** | **148,315** | **492,848** | **185,576** | **4,407** | **907,297** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | 6,131 | 84,564 | 550 | - | 91,245 |
| **Total additions** | **-** | **6,131** | **84,564** | **550** | **-** | **91,245** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation expense | - | (11,193) | (39,908) | (2,431) | - | (53,532) |
| Other | (8,950) | - | - | - | - | (8,950) |
| **Total other movements** | **(8,950)** | **(11,193)** | **(39,908)** | **(2,431)** | **-** | **(62,482)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 67,201 | 157,664 | 585,973 | 186,126 | 4,477 | 1,001,441 |
| Accumulated depreciation/ amortisation and impairment | - | (14,411) | (48,469) | (2,431) | (70) | (65,381) |
| **Closing net book balance** | **67,201** | **143,253** | **537,504** | **183,695** | **4,407** | **936,060** |

Prepared on Australian Accounting Standards basis.

* + - * 1. 'Appropriation equity' refers to Administered Assets and Liabilities appropriations provided through Appropriation Bill (No. 2) 2022-23, including Collection Development Acquisition Budget.

Australia Council

Entity resources and planned performance

Australia Council

[Section 1: Entity overview and resources 111](#_Toc117359633)

[1.1 Strategic direction statement 111](#_Toc117359634)

[1.2 Entity resource statement 113](#_Toc117359635)

[1.3 Budget measures 114](#_Toc117359636)

[Section 2: Outcomes and planned performance 115](#_Toc117359637)

[2.1 Budgeted expenses and performance for Outcome 1 116](#_Toc117359638)

[Section 3: Budgeted financial statements 119](#_Toc117359639)

[3.1 Budgeted financial statements 119](#_Toc117359640)

[3.2 Budgeted financial statements tables 121](#_Toc117359641)

# Australia Council

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australia Council (the Council) is the Australian Government’s principal arts investment, development, funding and advisory body with a purpose to champion and invest in arts and creativity to benefit all Australians. The Council has a national leadership role in supporting and building Australia’s arts ecology by fostering excellence in the arts, increasing national and international engagement with Australian art and artists, and advocating for the social, cultural and economic value of arts and creativity. The Council achieves this by:

* investing in artists and organisations through grants, fellowships and awards that enable art to be created and experienced
* advocating for the social, cultural and economic value of the arts and creativity
* advising government on matters connected with the arts
* managing Government-directed initiatives and frameworks in support of the arts
* delivering strategic development activity that builds industry capacity, increases markets and audiences for Australian creative work and enables more people to be inspired by and benefit from their creative engagement
* conducting research and analysis that deepens the understanding of the role and value of arts and creativity
* collaborating with state, territory and local governments
* partnering with others to increase investment in and support for creativity.

The Council’s Corporate Plan 2022–2026 has five strategic objectives to achieve its vision ‘Creativity Connects Us’ and is approved by the Minister for the Arts. The Council’s strategic objectives are informed by the functions outlined in the *Australia Council Act 2013*, and reflect the needs and aspirations of Australia’s diverse and vibrant creative sector and the Australian public:

* Australians are transformed by arts and creativity
* Support engaging arts experiences
* Expand access to arts experiences
* Support the digital mobility of Australian arts and creativity
* Promote arts experiences in everyday life
* Our arts reflect us
* Enable activity that connects communities
* Support creative work that reflects contemporary Australia
* Support increased diversity in our creative workforce
* Promote diversity across all Australia Council activities
* First Nations arts and culture are cherished
* Strengthen and embed First Nations arts and culture
* Grow experiences of First Nations arts and culture
* Support First Nations young people’s artistic and cultural expression
* Uphold First Nations arts and cultural practitioners’ cultural rights
* Arts and creativity are thriving
* Support viable creative careers and business models
* Enable risk taking and experimentation in the realisation of new works
* Develop partnerships to strengthen the cultural and creative industries
* Promote wellbeing and a safe environment for people working in the arts
* Arts and creativity are valued
* Advocate for the public value of arts and creativity
* Advise on arts matters to inform government policy development
* Lead public discussion about matters relating to arts and creativity
* Develop evidence that increases understanding of the cultural and creative industries.

Before the COVID-19 pandemic, the cultural and creative industries were already facing significant forces of change and evolution that have meant traditional business models, modes of operation or engagement must be innovated. Just some of these shifts include:

* growing public awareness of the value of First Nations cultures
* rapidly changing and diversifying communities
* new definitions of the marketplace and audience expectations
* universal on-demand access to digital content
* innovation required in the development of content and delivery to reach diverse national and international audiences
* new economic realities.

The cultural and creative industries have been among the hardest hit by the COVID-19 pandemic which will have profound and long-lasting impacts on how the industry operates in the future, not least with regard to digital strategies and mobility of work.

The Council will support the post-COVID-19 pandemic rebuilding of our cultural and creative industries, including continual adaptation to industry change to realise the potential of new models of operation and practice, harnessing diversity and actively cultivating creativity and innovation to generate economic, cultural and social value.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the Council 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 the Council’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: Australia Council resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **8,097** | **12,087** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 219,794 | 220,531 |
| Total annual appropriations | 219,794 | 220,531 |
| **Total funds from Government** | **219,794** | **220,531** |
| **Funds from other sources** |  |  |
| Interest | 207 | 300 |
| Sale of goods and services | 11 | 10 |
| Other | 3,360 | 400 |
| **Total funds from other sources** | **3,578** | **710** |
| **Total net resourcing for Australia Council** | **231,469** | **233,328** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 96 | 108 |

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

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

Australia Council 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 (a non-corporate Commonwealth entity), which are then paid to Australia Council and are considered ‘departmental’ for all purposes.

1.3 Budget measures

Budget measures relating to the Council are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Australia Council October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| Supporting the Arts | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | - | 4,960 | 5,080 | 5,176 |
| **Total** |  | **-** | **-** | **4,960** | **5,080** | **5,176** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | - | 4,960 | 5,080 | 5,176 |
| **Total** |  | **-** | **-** | **4,960** | **5,080** | **5,176** |

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (‑) represent a decrease in funds and a positive (+) represent an increase in funds.

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 measure 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 the Council can be found at: https://australiacouncil.gov.au/about-us/strategy-and-corporate-plan/  The most recent annual performance statement can be found at: https://australiacouncil.gov.au/about-us/corporate-documents/annual-reports/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad |

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: To champion and invest in Australian arts and creativity** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 219,794 | 220,531 | 235,977 | 241,259 | 245,466 |
| Revenues from other independent sources | 3,578 | 710 | 1,300 | 700 | 1,300 |
| **Total expenses for Program 1.1** | **223,372** | **221,241** | **237,277** | **241,959** | **246,766** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 219,794 | 220,531 | 235,977 | 241,259 | 245,466 |
| Revenues from other independent sources | 3,578 | 710 | 1,300 | 700 | 1,300 |
| **Total expenses for Outcome 1** | **223,372** | **221,241** | **237,277** | **241,959** | **246,766** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 | 2022-23 |  |  |  |
| **Average staffing level (number)** | 96 | 108 |  |  |  |

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad | | |
| **Program 1.1** – To champion and invest in Australian arts through grants and initiatives that foster and develop Australia’s arts sector and raise the profile of Australian arts nationally and internationally. | | |
| **Key Activities** | Administering the Government’s National Performing Arts Partnership Framework.  Administering Government programs, including National Regional Touring Programs and the Visual Arts and Craft Strategy.  Undertaking research and knowledge management activity to inform policy and program analysis and awareness of Australia’s arts sector.  Delivering an integrated suite of programs that support artists and arts organisations across the arts sector, including:   * Peer assessed grant funding for individual artists, groups and arts organisations * Four Year core program funding for small-to-medium arts organisations * Strategic national and international market, audience and artistic development activity * Capacity building activity for arts leaders and organisations * First Nations arts initiatives. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Live attendances at Australia Council supported activities in Australia | Target: 15 million  Actual: 10.3 million  Target not met |
| New Australian artistic works with a public outcome (performed, exhibited, published or recorded) supported | Target: 4,500 works  Actual: 14,290 works  Target met |
| Number of applications for culturally diverse projects and events supported and total amount invested | Target: 200 applications supported with $8 million investment  Actual: 466 applications with $24.8 million investment  Target met |
| New Australian artworks supported | Target: 5,700 artworks  Actual: 16,215 artworks  Target met |
| Total amount invested in projects creating new Australian artwork | Target: $7.5 million  Actual: $10.2 million  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 cont. | Number of initiatives delivered that strengthen ties with other countries | Target: 15 initiatives  Actual: 38 initiatives  Target met |
| Number of countries where Australia Council supported arts activities are delivered | Target 25 countries  Actual: 26 countries  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Live attendances at Australia Council supported activities in Australia | 15 million |
| New Australian artistic works with a public outcome (performed, exhibited, published or recorded) supported | 4,500 works |
| Number of applications for culturally diverse projects and events supported and total amount invested | 250 applications supported with $10 million investment |
| Number of applications for First Nations projects and events supported and total amount invested | 180 applications supported with $13 million investment |
| New Australian artworks supported | 5,700 works |
| Total amount invested in projects creating new Australian artwork | $7.5 million |
| Number of initiatives delivered that strengthen ties with other countries | 15 initiatives |
| Number of countries where Australia Council supported arts activities are delivered | 25 countries |
| Forward Estimates 2023‑26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the Council’s finances for the 2022-23 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

The Council’s 2022–23 Budget has been built on the principle of a balanced, breakeven budget, that is, annual expense matches the annual revenue forecast to be received.

**Comprehensive income statement**

The Council’s base appropriation will increase by $0.7 million in 2022-23, from $219.8 million to $220.5 million. The net increase is due to indexation (net of the applicable annual efficiency dividend), offset by a decrease relating to the Playing Australia Program. In 2021-22 there was a one-off uplift of $3.6 million to the Playing Australia program, consequently the appropriation has reduced by a similar amount in 2022-23.

Other revenue for 2022–23 includes returned grant monies and interest income ($0.6 million).

The Council’s total expenses are budgeted at $221.2 million, compared to $223.0 million in 2021–22 and comprise:

* grant expenditure of $193.1 million budgeted to support individual artists, National Performing Arts Partnership Framework organisations, small to medium arts organisations and for initiatives to increase national and international audiences and markets for Australian arts. Budgeted expenditure will decrease by $5.0 million, largely due to the reduction in funding received for the Playing Australia program and the reduction in returned grant monies. Additional funding for Playing Australia of $3.6 million was received in 2021-22 (as referred to above). Returned grant monies in 2021-22 were $2.1 million compared to $0.3 million budgeted for 2022-23.
* supplier expenses of $10.8 million, will increase by $1.8 million in 2022–23 as a decrease in expenditure for the Venice Biennale exhibition is offset by increased travel and program costs. The Venice Biennale exhibition is held every two years, and travel and program costs are budgeted at pre Covid levels.
* depreciation and amortisation expenses of $2.5 million in 2022-23 are $0.4 million lower than 2021-22 due to reduced capital expenditure in 2020-21 and 2021-22.
* employee benefits expense of $14.7 million, will increase by $1.9 million in 2022‑23, due to vacancies in 2021-22 and expected annual salary increases.

**Budgeted Departmental balance sheet**

Financial assets are budgeted at $14.0 million with cash and cash equivalent balances expected to be $12.1 million by the end of the year.

Non–financial assets are budgeted to decrease to $22.3 million due to depreciation of $2.5 million offsetting capital expenditure of $1.0 million.

The capital expenditure investment in 2022–23 is predominantly business systems and equipment.

Reserves (other than retained surplus), remain level at $9.7 million at 30 June 2023 and comprise $6.3 million of private sector donation income received for the rebuild of the Venice Pavilion (completed in 2015) and $3.4 million in the asset revaluation reserve.

### 

**3.2. Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 12,804 | 14,664 | 17,676 | 18,206 | 18,752 |
| Suppliers | 9,046 | 10,844 | 13,088 | 12,650 | 13,596 |
| Grants | 198,148 | 193,140 | 203,911 | 208,492 | 211,804 |
| Depreciation and amortisation | 2,869 | 2,465 | 2,492 | 2,520 | 2,542 |
| Finance costs | 145 | 128 | 110 | 91 | 72 |
| **Total expenses** | **223,012** | **221,241** | **237,277** | **241,959** | **246,766** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 207 | 300 | 300 | 300 | 300 |
| Sublease income | 11 | 10 | - | - | - |
| Other | 3,360 | 400 | 1,000 | 400 | 1,000 |
| **Total own-source revenue** | **3,578** | **710** | **1,300** | **700** | **1,300** |
| **Total own-source income** | **3,578** | **710** | **1,300** | **700** | **1,300** |
| **Net (cost of)/contribution by services** | **(219,434)** | **(220,531)** | **(235,977)** | **(241,259)** | **(245,466)** |
| Revenue from Government | 219,794 | 220,531 | 235,977 | 241,259 | 245,466 |
| **Surplus/(deficit) attributable to the Australian Government** | 360 | **-** | **-** | **-** | **-** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 18 | **-** | **-** | **-** | **-** |
| **Total other comprehensive income** | **18** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **378** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **378** | **-** | **-** | **-** | **-** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **378** | **-** | **-** | **-** | **-** |
| plus: depreciation/amortisation expenses for ROU assets (a) | 1,584 | 1,584 | 1,583 | 1,584 | 1,583 |
| less: lease principal repayments (a) | (1,368) | (1,456) | (1,547) | (1,643) | (1,741) |
| **Net cash operating surplus/ (deficit)** | **594** | **128** | **36** | **(59)** | **(158)** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 12,087 | 12,116 | 12,717 | 13,353 | 13,915 |
| Trade and other receivables | 1,834 | 1,834 | 1,834 | 1,834 | 1,834 |
| ***Total financial assets*** | ***13,921*** | ***13,950*** | ***14,551*** | ***15,187*** | ***15,749*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 20,352 | 18,297 | 16,242 | 14,187 | 12,133 |
| Property, plant and equipment | 2,641 | 3,174 | 3,059 | 2,927 | 2,773 |
| Intangibles | 211 | 248 | 270 | 178 | 83 |
| Prepayments | 609 | 609 | 609 | 609 | 609 |
| ***Total non-financial assets*** | ***23,813*** | ***22,328*** | ***20,180*** | ***17,901*** | ***15,598*** |
| **Total assets** | **37,734** | **36,278** | **34,731** | **33,088** | **31,347** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 788 | 788 | 788 | 788 | 788 |
| Grants | 2,724 | 2,724 | 2,724 | 2,724 | 2,724 |
| Other payables | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 |
| ***Total payables*** | ***5,109*** | ***5,109*** | ***5,109*** | ***5,109*** | ***5,109*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 12,601 | 11,145 | 9,598 | 7,955 | 6,214 |
| ***Total interest-bearing liabilities*** | ***12,601*** | ***11,145*** | ***9,598*** | ***7,955*** | ***6,214*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,246 | 2,246 | 2,246 | 2,246 | 2,246 |
| Other provisions | 770 | 770 | 770 | 770 | 770 |
| ***Total provisions*** | ***3,016*** | ***3,016*** | ***3,016*** | ***3,016*** | ***3,016*** |
| **Total liabilities** | **20,726** | **19,270** | **17,723** | **16,080** | **14,339** |
| **Net assets** | **17,008** | **17,008** | **17,008** | **17,008** | **17,008** |
| **EQUITY** |  |  |  |  |  |
| Reserves | 9,688 | 9,688 | 9,688 | 9,688 | 9,688 |
| Retained surplus (accumulated deficit) | 7,320 | 7,320 | 7,320 | 7,320 | 7,320 |
| **Total equity** | **17,008** | **17,008** | **17,008** | **17,008** | **17,008** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 7,320 | 3,365 | 6,323 | 17,008 |
| **Adjusted opening balance** | **7,320** | **3,365** | **6,323** | **17,008** |
| **Estimated closing balance as at 30 June 2023** | **7,320** | **3,365** | **6,323** | **17,008** |
| **Closing balance attributable to the Australian Government** | **7,320** | **3,365** | **6,323** | **17,008** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 219,794 | 220,531 | 235,977 | 241,259 | 245,466 |
| Receipts from Government | 154 | - | - | - | - |
| Sale of goods and rendering of services | 11 | 10 | - | - | - |
| Interest | 201 | 300 | 300 | 300 | 300 |
| Net GST received | 19,796 | 18,359 | 19,531 | 19,902 | 20,287 |
| Other | 3,836 | 400 | 1,000 | 400 | 1,000 |
| **Total cash received** | **243,792** | **239,600** | **256,808** | **261,861** | **267,053** |
| **Cash used** |  |  |  |  |  |
| Employees | 12,700 | 14,664 | 17,676 | 18,206 | 18,752 |
| Suppliers | 10,523 | 11,820 | 14,266 | 13,789 | 14,820 |
| Interest payments on lease liability | 145 | 128 | 110 | 91 | 72 |
| Other | 215,691 | 210,523 | 222,263 | 227,256 | 230,866 |
| **Total cash used** | **239,059** | **237,135** | **254,315** | **259,342** | **264,510** |
| **Net cash from/(used by) operating activities** | **4,733** | **2,465** | **2,493** | **2,519** | **2,543** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of non-financial  assets | 689 | - | - | - | - |
| **Total cash received** | **689** | **-** | **-** | **-** | **-** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 64 | 980 | 345 | 240 | 240 |
| **Total cash used** | **64** | **980** | **345** | **240** | **240** |
| **Net cash from/(used by) investing activities** | **625** | **(980)** | **(345)** | **(240)** | **(240)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 1,368 | 1,456 | 1,547 | 1,643 | 1,741 |
| **Total cash used** | **1,368** | **1,456** | **1,547** | **1,643** | **1,741** |
| **Net cash from/(used by) financing activities** | **(1,368)** | **(1,456)** | **(1,547)** | **(1,643)** | **(1,741)** |
| **Net increase/(decrease) in cash held** | **3,990** | **29** | **601** | **636** | **562** |
| Cash and cash equivalents at the beginning of the reporting period | 8,097 | 12,087 | 12,116 | 12,717 | 13,353 |
| **Cash and cash equivalents at the end of the reporting period** | **12,087** | **12,116** | **12,717** | **13,353** | **13,915** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from departmental resources (a) | 64 | 980 | 345 | 240 | 240 |
| **TOTAL** | **64** | **980** | **345** | **240** | **240** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 64 | 980 | 345 | 240 | 240 |
| **Total cash used to acquire assets** | **64** | **980** | **345** | **240** | **240** |

Prepared on Australian Accounting Standards basis.

1. Funded from annual appropriations and may include donations and contributions, gifts, internally generated assets, and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 149 | 9,270 | 4,850 | 888 | 15,157 |
| Gross book value - ROU assets | - | 15,835 | - | - | 15,835 |
| Accumulated depreciation/amortisation and impairment | - | (420) | (2,209) | (677) | (3,306) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (4,482) | - | - | (4,482) |
| **Opening net book balance** | **149** | **20,203** | **2,641** | **211** | **23,204** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | - | 731 | 249 | 980 |
| **Total additions** | **-** | **-** | **731** | **249** | **980** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (471) | (198) | (212) | (881) |
| Depreciation/amortisation on ROU assets | - | (1,584) | - | - | (1,584) |
| **Total other movements** | **-** | **(2,055)** | **(198)** | **(212)** | **(2,465)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 149 | 9,270 | 5,581 | 1,137 | 16,137 |
| Gross book value - ROU assets | - | 15,835 | - | - | 15,835 |
| Accumulated depreciation/amortisation and impairment | - | (891) | (2,407) | (889) | (4,187) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (6,066) | - | - | (6,066) |
| **Closing net book balance** | **149** | **18,148** | **3,174** | **248** | **21,719** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.

Australian Broadcasting Corporation

Entity resources and planned performance

**Australian Broadcasting Corporation**

[Section 1: Entity overview and resources 131](#_Toc117359887)

[1.1 Strategic direction statement 131](#_Toc117359888)

[1.2 Entity resource statement 133](#_Toc117359889)

[1.3 Budget measures 134](#_Toc117359890)

[Section 2: Outcomes and planned performance 135](#_Toc117359891)

[2.1 Budgeted expenses and performance for Outcome 1 136](#_Toc117359892)

[Section 3: Budgeted financial statements 139](#_Toc117359893)

[3.1 Budgeted financial statements 139](#_Toc117359894)

[3.2 Budgeted financial statements tables 140](#_Toc117359895)

# Australian Broadcasting Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Broadcasting Corporation (ABC) is one of the country’s largest and most important cultural institutions. As the primary national public broadcaster, it reflects Australia’s national identity and cultural diversity, informs and educates, facilitates public debate and fosters the performing arts.

The ABC plays a significant role in the lives of all Australians, not only through the broadcasting and digital media services it delivers, but also through direct engagement with local communities around the country. It also underpins the creative industries and Australia’s wider economy by buying services from writers, directors, actors, production companies and the businesses that serve them. Through its international services, it projects Australia’s national values and identity to a wider world.

The ABC’s place in the Australian media environment is distinctive because of its Charter (section 6 of the *Australian Broadcasting Corporation Act 1983* (the ABC Act)). The Charter and other provisions of the ABC Act give the ABC particular responsibilities, such as providing independent news and information. The ABC Act guarantees the editorial and administrative independence of the ABC from the Government. The ABC Board is charged with a number of duties, including ‘to ensure the functions of the Corporation are performed efficiently and with maximum benefit to the people of Australia’, and ‘to maintain the independence and integrity of the Corporation’.

The functions of the ABC, set out in section 6(1) of the ABC Act, are:

* To provide, within Australia, innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system, consisting of national, commercial and community sectors and to provide:
* broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community
* broadcasting programs of an educational nature
* To transmit to countries outside Australia, broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:
* encourage awareness of Australia and an international understanding of Australian attitudes on world affairs
* enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs
* To provide digital media services
* To encourage and promote the musical, dramatic and other performing arts in Australia.

The ABC provides unique and often critically important points of connection and support for communities throughout Australia. These include arrangements with Federal and State and Territory authorities for the provision of emergency services information when local communities are affected by natural disasters.

The ABC is guided by its Five-Year Plan, which was released in June 2020. The ABC’s Five-Year Plan responds to the societal, technological and economic changes that the nation is experiencing, including the challenges confronting the media sector and the opportunities to better serve all Australians.

The ABC is committed to maintaining its position as the nation’s most trusted source of news; it will place greater focus on being easier to access and experience on digital platforms and devices; it will seek to strengthen connections in local communities; and will prioritise quality over quantity. In an environment where audiences can take their pick of devices and content from around the world, the ABC will offer a place where Australian voices will be heard, and it will deliver entertainment that reflects the lives and experiences of Australians. From drama to music to the arts, the ABC will reflect Australian identity, celebrate Australian talent, and support the local creative sector.

The ABC will be a creative, flexible, efficient and accountable organisation that ensures resources are targeted at meeting priority audience needs and expectations, and will be focused on investing in the workforce of the future, including by attracting and retaining talented staff who can deliver the content and strategic objectives of the ABC’s Five-Year Plan.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the ABC 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 the ABC’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: ABC resource statement — Budget estimates for 2022-23 as at Budget October 2022**

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **5,797** | **5,748** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 1,070,097 | 1,107,158 |
| Total annual appropriations | 1,070,097 | 1,107,158 |
| **Total funds from Government** | **1,070,097** | **1,107,158** |
| **Funds from other sources** |  |  |
| Interest | 1,063 | 3,715 |
| Sale of goods and services | 63,833 | 72,109 |
| Other | 32,957 | 94,165 |
| **Total funds from other sources** | **97,853** | **169,989** |
| **Total net resourcing for ABC** | **1,173,747** | **1,282,895** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 4,194 | 4,213 |

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

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

The ABC 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   
(a non-corporate Commonwealth entity), which are then paid to the ABC and are considered ‘departmental’ for all purposes.

1.3 Budget measures

Budget measures in Part 1 relating to ABC are detailed in October Budget Paper No. 2 and are summarised below.

**Table 1.2: ABC October Budget 2022-23 measures**

**Part 1: Measures announced since the March Budget 2022-23**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| Better Funded National Broadcasters | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | 21,425 | 20,925 | 20,925 | 20,925 |
| **Total** |  | - | **21,425** | **20,925** | **20,925** | **20,925** |
| Pacific Security and Engagement Initiatives | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | 8,000 | 8,000 | 8,000 | 8,000 |
| **Total** |  | **-** | **8,000** | **8,000** | **8,000** | **8,000** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | 29,425 | 28,925 | 28,925 | 28,925 |
| **Total** |  | **-** | **29,425** | **28,925** | **28,925** | **28,925** |

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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 the ABC can be found at:  https://about.abc.net.au/wp-content/uploads/2022/08/ABC\_CorporatePlan2022\_23.pdf  The most recent annual performance statement is included in the most recent annual report, which can be found at:  https://about.abc.net.au/how-the-abc-is-run/reports-and-publications/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| **Outcome 1: Informed, educated and entertained audiences – throughout Australia and overseas – through innovative and comprehensive media and related services** |

**Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: ABC General Operational Activities** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 880,561 | 915,754 | 935,485 | 976,363 | 980,735 |
| Expenses not requiring appropriation in the Budget year | 260 | 233 | 221 | 219 | - |
| Revenues from other independent sources | 68,463 | 79,939 | 80,536 | 82,611 | 85,239 |
| **Total expenses for Program 1.1** | **949,284** | **995,926** | **1,016,242** | **1,059,193** | **1,065,974** |
| **Program 1.2: ABC Transmission and Distribution Services** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 189,536 | 191,404 | 196,309 | 206,184 | 211,473 |
| Expenses not requiring appropriation in the Budget year | 2,013 | 2,540 | 1,632 | 672 | - |
| **Total expenses for Program 1.2** | **191,549** | **193,944** | **197,941** | **206,856** | **211,473** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 1,070,097 | 1,107,158 | 1,131,794 | 1,182,547 | 1,192,208 |
| Expenses not requiring appropriation in the Budget year | 2,273 | 2,773 | 1,853 | 891 | - |
| Revenues from other independent sources | 68,463 | 79,939 | 80,536 | 82,611 | 85,239 |
| **Total expenses for Outcome 1** | **1,140,833** | **1,189,870** | **1,214,183** | **1,266,049** | **1,277,447** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 | 2022-23 |  |  |  |
| **Average staffing level (number)** | 4,194 | 4,213 |  |  |  |

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.

**Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1** – Informed, educated and entertained audiences – throughout Australia and overseas – through innovative and comprehensive media and related services | | |
| --- | --- | --- |
| **Program 1.1 – ABC General Operational Activities**  The ABC will provide Australian and international audiences with innovative and high-quality radio, television and digital media services | | |
| **Key Activities** (a) | To inform, entertain, and educate Australian and international audiences by creating and curating content that reflects the diversity of the Australian community. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Awareness of the ABC among all Australians | 95% (Target: 96%)  Target not met |
| Weekly active digital users | 17 million (Target: 14.2 million)  Target met |
| The ABC is trusted by all Australians | 77% (Target: 80%)  Target not met |
| Quality and distinctiveness | Quality: 88% (Target: 87%)  Target met  Distinctiveness: 82% (Target 85%) Target not met |
| **Year** | **Performance measures** (b) | **Planned Performance Results** |
| Budget year 2022-23 | *Perceptions of ABC Value to the Australian Community* | *80%* |
| Weekly active digital users | *18.3 million* |
| *The ABC is Australia’s most trusted media source* | *Trust in ABC is 10% higher than Commercial TV/ Radio* |
| Quality and distinctiveness | *Quality: 88%*  Distinctiveness: 85% |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

(a) Refers to updated key activities reflected in the 2022-23 Corporate Plan.

(b) Refers to updated performance measures (shown in italics) reflected in the 2022-23 Corporate Plan.

| **Program 1.2 – ABC Transmission and Distribution Services**  The ABC will manage the broadcast and transmission of its radio and television services within Australia to maximise availability to audiences. | | |
| --- | --- | --- |
| **Key Activities (a)** | The broadcast and transmission of the ABC’s radio and television services. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Percentage of the Australian population who are able to receive ABC analog radio transmissions | 100% (Target: At least 99%)  Target met |
| Degree to which the eight state and territory capital cities have access to ABC digital radio transmissions | 100% (Target: 100%)  Target met |
| Percentage of Australian homes able to receive ABC digital television transmissions (b) | 100% (Target: 100%)  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | *Percentage of the Australian population who are able to receive ABC analog radio transmissions* | *At least 99%* |
|  | *Degree to which the eight state and territory capital cities have access to ABC digital radio transmissions* | *100%* |
|  | *Percentage of Australian homes able to receive ABC digital television transmissions (b)* | *100%* |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

(a) Refers to updated key activities reflected in the 2022-23 Corporate Plan.

(b) Reporting of actuals will include the percentage reach for ABC digital television using terrestrial services (excluding satellite).

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ABC’s finances for the 2022-23 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

The ABC’s forward budgeted financial statements have been prepared to reflect the ABC’s operational business outlook as it continues to focus on achieving the goals and objectives set out in the ABC Five-Year Plan 2020-2025.

The ABC is budgeting for an operating deficit of $2.8 million in 2022-23 including the impact of accounting standard AASB 16 on leasing. The operating result excluding leasing transactions is a net break-even position, as reflected in the net cash appropriation arrangements note to Table 3.1.

Total revenue from Government is budgeted at $1,107.2 million in 2022-23, an increase of $37.1 million from 2021-22. This reflects the net impact of government indexation parameter adjustments as well as continued funding for Enhanced News and additional funding for Audio Description, A Better Funded ABC, Double J Feasibility Study and Indo-Pacific Broadcasting Strategy.

Own-source budgeted revenues of $79.9 million in 2022-23 are principally comprised of revenues from ABC commercial activities, as well as other minor amounts from co‑production arrangements, facilities hire, services provided, interest and commissions. These revenues are largely offset by related costs of sales or represent recoveries of costs incurred or are invested in content.

Total expenses are budgeted at $1,189.9 million in 2022-23, a net increase of $49.0 million from 2021-22. This includes the net impact of salary and wages increases, additional expenditure related to increased revenue from Government, leasing transactions, savings initiatives and program amortisation costs.

The ABC’s budgeted net asset position for 2022-23 of $1.1 billion represents a decrease of $2.8 million from the estimated actual for 2021-22, reflecting the budgeted operating deficit for 2022-23, which includes the impact of leasing transactions.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 538,840 | 553,308 | 551,243 | 557,600 | 558,277 |
| Suppliers | 449,355 | 483,742 | 510,098 | 553,074 | 564,034 |
| Depreciation and amortisation | 142,941 | 144,923 | 145,877 | 149,387 | 150,062 |
| Finance costs | 6,138 | 7,897 | 6,965 | 5,988 | 5,074 |
| Write-down and impairment of assets | 3,472 | - | - | - | - |
| Losses from asset sales | 87 | - | - | - | - |
| **Total expenses** | **1,140,833** | **1,189,870** | **1,214,183** | **1,266,049** | **1,277,447** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 62,620 | 72,109 | 72,701 | 74,574 | 76,750 |
| Interest | 1,401 | 3,715 | 3,673 | 3,549 | 3,611 |
| Other | 6,085 | 4,115 | 4,162 | 4,488 | 4,878 |
| **Total own-source revenue** | **70,106** | **79,939** | **80,536** | **82,611** | **85,239** |
| **Gains** |  |  |  |  |  |
| Sale of assets | - | (1,274) | - | - | - |
| Gain on lease disposal | 117 | - | - | - | - |
| Other | 874 | 1,274 | - | - | - |
| **Total gains** | **991** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **71,097** | **79,939** | **80,536** | **82,611** | **85,239** |
| **Net (cost of)/ contribution by services** | **(1,069,736)** | **(1,109,931)** | **(1,133,647)** | **(1,183,438)** | **(1,192,208)** |
| Revenue from Government | 1,070,097 | 1,107,158 | 1,131,794 | 1,182,547 | 1,192,208 |
| **Surplus/(deficit) attributable to the Australian Government** | **361** | **(2,773)** | **(1,853)** | **(891)** | **-** |
| Income tax expense | 245 | - | - | - | - |
| **Surplus after Tax** | **116** | **(2,773)** | **(1,853)** | **(891)** | **-** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 55,219 | - | - | - | - |
| **Total other comprehensive income** | **55,219** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **55,335** | **(2,773)** | **(1,853)** | **(891)** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **55,335** | **(2,773)** | **(1,853)** | **(891)** | **-** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **55,335** | **(2,773)** | **(1,853)** | **(891)** | **-** |
| plus: depreciation/amortisation expenses for ROU assets (a) | 62,293 | 61,322 | 60,884 | 60,537 | 60,026 |
| less: gain on lease disposal | (117) | - | - | - | - |
| less: change in asset revaluation surplus | (55,219) | - | - | - | - |
| less: lease principal repayments (a) | (60,020) | (58,549) | (59,031) | (59,646) | (60,026) |
| **Net cash operating surplus/ (deficit)** | **2,272** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 5,748 | 5,748 | 5,748 | 5,748 | 5,748 |
| Trade and other receivables | 11,876 | 11,876 | 11,876 | 11,876 | 11,876 |
| Other investments | 237,500 | 288,901 | 259,597 | 247,709 | 235,686 |
| Other financial assets | 4,559 | 4,559 | 4,559 | 4,559 | 4,559 |
| ***Total financial assets*** | ***259,683*** | ***311,084*** | ***281,780*** | ***269,892*** | ***257,869*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 649,596 | 650,057 | 643,593 | 632,033 | 620,852 |
| Property, plant and equipment | 686,417 | 639,560 | 597,150 | 547,020 | 497,059 |
| Intangibles | 83,114 | 103,014 | 120,308 | 123,349 | 126,488 |
| Inventories | 123,027 | 125,576 | 125,576 | 135,576 | 145,576 |
| Prepayment | 26,375 | 26,375 | 26,375 | 26,375 | 26,375 |
| Other non-financial assets | 4,157 | 4,157 | 4,157 | 4,157 | 4,157 |
| ***Total non-financial assets*** | ***1,572,686*** | ***1,548,739*** | ***1,517,159*** | ***1,468,510*** | ***1,420,507*** |
| Assets held for sale | 88,776 | - | - | - | - |
| **Total assets** | **1,921,145** | **1,859,823** | **1,798,939** | **1,738,402** | **1,678,376** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 82,083 | 82,083 | 82,083 | 82,083 | 82,083 |
| Other payables | 48,048 | 48,048 | 48,048 | 48,048 | 48,048 |
| ***Total payables*** | ***130,131*** | ***130,131*** | ***130,131*** | ***130,131*** | ***130,131*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Loans | 2,268 | 2,268 | 2,268 | 2,268 | 2,268 |
| Leases | 513,666 | 455,117 | 396,086 | 336,440 | 276,414 |
| ***Total interest bearing liabilities*** | ***515,934*** | ***457,385*** | ***398,354*** | ***338,708*** | ***278,682*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 157,232 | 157,232 | 157,232 | 157,232 | 157,232 |
| Other provisions | 6,887 | 6,887 | 6,887 | 6,887 | 6,887 |
| ***Total provisions*** | ***164,119*** | ***164,119*** | ***164,119*** | ***164,119*** | ***164,119*** |
| **Total liabilities** | **810,184** | **751,635** | **692,604** | **632,958** | **572,932** |
| **Net assets** | **1,110,961** | **1,108,188** | **1,106,335** | **1,105,444** | **1,105,444** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 93,640 | 93,640 | 93,640 | 93,640 | 93,640 |
| Reserves | 837,117 | 837,117 | 837,117 | 837,117 | 837,117 |
| Retained surplus (accumulated deficit) | 180,204 | 177,431 | 175,578 | 174,687 | 174,687 |
| ***Total parent entity interest*** | ***1,110,961*** | ***1,108,188*** | ***1,106,335*** | ***1,105,444*** | ***1,105,444*** |
| **Total equity** | **1,110,961** | **1,108,188** | **1,106,335** | **1,105,444** | **1,105,444** |

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 180,204 | 837,117 | 93,640 | 1,110,961 |
| ***Adjusted opening balance*** | ***180,204*** | ***837,117*** | ***93,640*** | ***1,110,961*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (2,773) | - | - | (2,773) |
| ***Total comprehensive income*** | ***(2,773)*** | ***-*** | ***-*** | ***(2,773)*** |
| **Estimated closing balance as at 30 June 2023** | **177,431** | **837,117** | **93,640** | **1,108,188** |
| **Closing balance attributable to the Australian Government** | **177,431** | **837,117** | **93,640** | **1,108,188** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 1,070,097 | 1,107,158 | 1,131,794 | 1,182,547 | 1,192,208 |
| Sale of goods and rendering of services | 63,833 | 72,109 | 72,701 | 74,574 | 76,750 |
| Interest | 1,063 | 3,715 | 3,673 | 3,549 | 3,611 |
| Net GST received | 48,591 | 64,091 | 65,806 | 68,633 | 69,723 |
| Other | 6,744 | 4,115 | 4,162 | 4,488 | 4,878 |
| ***Total cash received*** | ***1,190,328*** | ***1,251,188*** | ***1,278,136*** | ***1,333,791*** | ***1,347,170*** |
| **Cash used** |  |  |  |  |  |
| Employees | 533,148 | 553,308 | 551,243 | 557,600 | 558,277 |
| Suppliers | 473,177 | 487,565 | 510,098 | 563,074 | 574,034 |
| Borrowing costs | 65 | - | - | - | - |
| Net GST paid | 50,116 | 64,091 | 65,806 | 68,633 | 69,723 |
| Interest payments on lease liability | 6,073 | 7,897 | 6,965 | 5,988 | 5,074 |
| ***Total cash used*** | ***1,062,579*** | ***1,112,861*** | ***1,134,112*** | ***1,195,295*** | ***1,207,108*** |
| **Net cash from/(used by) operating activities** | **127,749** | **138,327** | **144,024** | **138,496** | **140,062** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, plant and equipment | 26,313 | 90,050 | - | - | - |
| Investments | 67,000 | - | - | - | - |
| ***Total cash received*** | ***93,313*** | ***90,050*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 68,747 | 118,427 | 114,297 | 90,738 | 92,059 |
| Investments | 91,900 | 51,401 | (29,304) | (11,888) | (12,023) |
| ***Total cash used*** | ***160,647*** | ***169,828*** | ***84,993*** | ***78,850*** | ***80,036*** |
| **Net cash from/(used by) investing activities** | **(67,334)** | **(79,778)** | **(84,993)** | **(78,850)** | **(80,036)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | 325 | - | - | - | - |
| ***Total cash received*** | ***325*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Repayments of borrowings | 769 |  |  |  |  |
| Principal payments on lease liability | 60,020 | 58,549 | 59,031 | 59,646 | 60,026 |
| ***Total cash used*** | ***60,789*** | ***58,549*** | ***59,031*** | ***59,646*** | ***60,026*** |
| **Net cash from/(used by) financing activities** | **(60,464)** | **(58,549)** | **(59,031)** | **(59,646)** | **(60,026)** |
| **Net increase/(decrease) in cash held** | **(49)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 5,797 | 5,748 | 5,748 | 5,748 | 5,748 |
| **Cash and cash equivalents at the end of the reporting period** | **5,748** | **5,748** | **5,748** | **5,748** | **5,748** |

Prepared on Australian Accounting Standards basis.**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from departmental resources (a) | 68,747 | 118,427 | 114,297 | 90,738 | 92,059 |
| **TOTAL** | **68,747** | **118,427** | **114,297** | **90,738** | **92,059** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 68,747 | 118,427 | 114,297 | 90,738 | 92,059 |
| **Total cash used to acquire assets** | **68,747** | **118,427** | **114,297** | **90,738** | **92,059** |

Prepared on Australian Accounting Standards basis.

1. Funded from annual appropriations and may include internally developed assets and proceeds from the sale of assets.

**Table 3.6: Statement of departmental asset movements (Budget year 2022-23)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | L&B, IP&E held for sale $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 222,879 | 446,520 | 601,433 | 194,989 | 88,776 | 1,554,597 |
| Gross book value - ROU assets | 22,680 | 9,532 | 681,239 | - | - | 713,451 |
| Accumulated depreciation/ amortisation and impairment | - | (46,146) | (416,548) | (111,875) | - | (574,569) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (727) | (5,142) | (179,707) | - | - | (185,576) |
| **Opening net book balance** | **244,832** | **404,764** | **686,417** | **83,114** | **88,776** | **1,507,903** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 25,922 | 35,528 | 56,977 | - | 118,427 |
| **Total additions** | **-** | **25,922** | **35,528** | **56,977** | **-** | **118,427** |
| **Other movements** |  |  |  |  |  |  |
| Assets held for sale or in a disposal group held for sale | 72,040 | 18,010 | - | - | (90,050) | - |
| Depreciation/ amortisation expense | - | (24,180) | (22,344) | (37,077) | - | (83,601) |
| Depreciation/ amortisation on ROU assets | (243) | (1,038) | (60,041) | - | - | (61,322) |
| From disposal of entities or operations (including restructuring) | (72,040) | (18,010) | - | - | - | (90,050) |
| Other | - | - | - | - | 1,274 | 1,274 |
| **Total other movements** | **(243)** | **(25,218)** | **(82,385)** | **(37,077)** | **(88,776)** | **(233,699)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 222,879 | 472,442 | 616,961 | 251,966 | - | 1,584,248 |
| Gross book value - ROU assets | 22,680 | 9,532 | 681,239 | - | - | 713,451 |
| Accumulated depreciation/ amortisation and impairment | - | (70,326) | (418,892) | (148,952) | - | (658,170) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (970) | (6,180) | (239,748) | - | - | (246,898) |
| **Closing net book balance** | **244,589** | **405,468** | **639,560** | **103,014** | **-** | **1,392,631** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses or other operational expenses.

Australian Communications and Media Authority

Entity resources and planned performance

Australian Communications and Media Authority

[Section 1: Entity overview and resources 151](#_Toc115875587)

[1.1 Strategic direction statement 151](#_Toc115875588)

[1.2 Entity resource statement 153](#_Toc115875589)

[1.3 Budget measures 155](#_Toc115875590)

[Section 2: Outcomes and planned performance 156](#_Toc115875591)

[2.1 Budgeted expenses and performance for Outcome 1 157](#_Toc115875592)

[Section 3: Budgeted financial statements 165](#_Toc115875593)

[3.1 Budgeted financial statements 165](#_Toc115875594)

[3.2 Budgeted financial statements tables 166](#_Toc115875595)

# Australian Communications and Media Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Communications and Media Authority (ACMA) is Australia's regulator for telecommunications, broadcasting, radiocommunications, unsolicited communications and certain online content. The ACMA’s purpose is to contribute to maximising the economic and social benefits of communications infrastructure, content and services for Australia, we do this by:

* maintaining, enforcing, and improving regulation to drive industry performance and protect consumers
* managing public resources to enable industry to deliver services to the community.

Australians rely on communications networks, broadcasting and online media, and digital technologies to access information and essential services. This reliance does, however, increase the risks that Australians are exposed to, such as the impact of exposure to mis and disinformation online and threats of identity theft.

Interconnectivity and communications mobility are integral to the lives of all Australians and there is growing demand for larger amounts of data and faster, more reliable internet connections, requiring significant, ongoing infrastructure investments by telecommunications companies.

The ongoing growth in consumer use of digital platforms continues to cause disruption to consumption of traditional broadcast media. Boundaries between digital platforms and traditional broadcast media are increasingly blurred and there is a greater focus on the appropriate regulatory framework for content delivered over all platforms.

To achieve the outcome of ‘a communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice’ the ACMA has adopted the following two key activities that are outlined in its Corporate Plan:

* support an efficient and reliable communications infrastructure
* build consumer trust in the use of communications content and services.

The Office of the eSafety Commissioner (eSafety) is Australia’s independent regulator for online safety. Its purpose is to help safeguard Australians at risk from online harms and to promote safer, more positive online experiences, in accordance with the *Online Safety Act 2021*.

eSafety achieves its purpose through three key pillars: prevention; protection; and proactive and systemic change.

* **Prevention**: Using a solid evidence base, eSafety designs and delivers educational materials to prevent online harms, working with key sectors and community members to build user capability and resilience through training programs, awareness raising and referrals.
* **Protection**: eSafety remediates online harms through investigations and regulatory schemes, working with industry to build accountability and compliance in response to reported and identified harms.
* **Proactive and systemic change**: eSafety promotes proactive and systemic change, working with online industries, users, educators, governments and their agencies to reduce the threat surface for online harms, lift overall standards of online safety across industry and to deliver more positive online experiences for Australians.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the ACMA 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 administered (on behalf of the Government or the public) and departmental (for the ACMA’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

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: ACMA resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 40,959 | 48,384 |
| Departmental appropriation (b) | 121,382 | 130,788 |
| s74 External Revenue (c) | 398 | 100 |
| Departmental capital budget (d) | 15,788 | 8,102 |
| Total departmental annual appropriations | 178,527 | 187,374 |
| Special accounts (e) |  |  |
| Opening balance | 4,453 | 12,513 |
| Appropriation receipts (f) | 44,636 | 42,761 |
| Non-appropriation receipts | 410 | - |
| Total special accounts | 49,499 | 55,274 |
| less departmental appropriations drawn from annual/special appropriations and credited to special accounts | 36,986 | 42,761 |
| **Total departmental resourcing** | **191,040** | **199,887** |

Table 1.1: ACMA resource statement — Budget estimates for 2022-23 as at October Budget 2022 (continued)

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | 2,250 | - |
| Outcome 1 | 6,694 | 8,214 |
| Total administered annual appropriations | 8,944 | 8,214 |
| Administered special appropriations |  |  |
| Outcome 1 (g) | 8,636 | 8,300 |
| Total administered special appropriations | 8,636 | 8,300 |
| **Total administered resourcing** | **17,580** | **16,514** |
| **Total resourcing for the ACMA** | **208,620** | **216,401** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 518 | 523 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Excludes Departmental capital budget (DCB).
3. Estimated external revenue receipts under section 74 of the PGPA Act.
4. Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
5. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
6. Amounts credited to the special accounts from the ACMA’s annual and special appropriations.
7. Includes section 77 refunds under the PGPA Act which are not included as expenditure.

1.3 Budget measures

Budget measures relating to the ACMA are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: ACMA October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| Australian Communications and Media Authority - spectrum management (a) | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | 2,050 | 9,559 | 8,856 | 5,814 |
| **Total** |  | **-** | **2,050** | **9,559** | **8,856** | **5,814** |
| Responsible Investment to Grow Our Regions (b) | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | 350 | 108 | - | - |
| **Total** |  | **-** | **350** | **108** | **-** | **-** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | 2,400 | 9,667 | 8,856 | 5,814 |
| **Total** |  | **-** | **2,400** | **9,667** | **8,856** | **5,814** |

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

1. Including capital funding of $0.637 million in 2022-23, $6.312 million in 2023-24, $5.718 million in 2024‑25, and $2.600 million in 2025-26.
2. This is a cross-agency measure and includes capital funding of $0.058 million in 2022-23.

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 the ACMA can be found at: https://www.acma.gov.au/publications/2022-08/plan/corporate-plan-2022-23  The most recent annual performance statement can be found at: https://acma.gov.au/annualreport  The most recent corporate plan for eSafety can be found at:  https://www.esafety.gov.au/about-us/who-we-are/corporate-plan-2022-23 |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: A communications and media environment that balances the  needs of the industry and the Australian community through regulation,  education and advice |

Linked programs

| **Department of Infrastructure, Transport, Regional Development, Communications and the Arts** |
| --- |
| **Programs**   * Program 5.1 – Digital Technologies and Communications Services Program |
| **Contribution to Outcome 1 made by linked programs**  The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) has responsibility for policy development and advice to promote an innovative and competitive communications sector including administering Portfolio legislation efficiently and effectively.  As the regulator of the media and communications sector, the ACMA ensures compliance with the Department’s policies and legislation, including:   * enforcing compliance with the *Telecommunications (Industry Levy) Act 2012* for the funding of public interest telecommunications services * recouping costs of the Consumer Representation Grants Program allocated to the Australian Communications Consumer Action Network (ACCAN) under section 593 of the *Telecommunications Act 1997* and costs related to the management of Australia’s membership and engagement with the International Telecommunications Union (ITU), from licensed carriers under the *Telecommunications (Carrier Licence Charges) Act 1997* * carrying out the ACMA’s role in the administration of the Regional Broadband Scheme under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*, including the assessment of individual carrier’s levy charge liabilities and collecting the payment of these charges. |

Budgeted expenses for Outcome 1

This table shows how much the ACMA intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Communications regulation, planning and licensing** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | - | 50 | 50 | 50 | 50 |
| **Administered total** | **-** | **50** | **50** | **50** | **50** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 39,133 | 46,559 | 46,588 | 46,264 | 46,618 |
| s74 External Revenue (a) | 207 | 52 | 52 | 52 | 52 |
| Expenses not requiring appropriation in the Budget year (b) | 3,412 | 3,412 | 3,412 | 3,412 | 3,412 |
| **Departmental total** | **42,752** | **50,023** | **50,053** | **49,728** | **50,082** |
| **Total expenses for program 1.1** | **42,752** | **50,073** | **50,103** | **49,778** | **50,132** |
| **Program 1.2: Consumer safeguards, education and information** | | | | | |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Telecommunications Act 1997* (c) | 35 | 300 | 300 | 300 | 300 |
| **Administered total** | **35** | **300** | **300** | **300** | **300** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 36,123 | 41,403 | 39,908 | 39,908 | 40,065 |
| s74 External Revenue (a) | 191 | 48 | 48 | 48 | 48 |
| Expenses not requiring appropriation in the Budget year (b) | 3,150 | 3,150 | 3,150 | 3,150 | 3,150 |
| **Departmental total** | **39,464** | **44,601** | **43,105** | **43,006** | **43,263** |
| **Total expenses for program 1.2** | **39,499** | **44,901** | **43,405** | **43,306** | **43,563** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.3: Office of the eSafety Commissioner** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 8,854 | 8,214 | 6,020 | 2,000 | 2,000 |
| **Administered total** | **8,854** | **8,214** | **6,020** | **2,000** | **2,000** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 36,701 | 42,522 | 14,725 | 15,857 | 16,417 |
| Special accounts |  |  |  |  |  |
| Non-appropriation receipts | 410 | - | - | - | - |
| Appropriation receipts (d) | 44,636 | 42,761 | 14,826 | 15,960 | 16,520 |
| less expenses made from appropriations credited to special accounts (e) | (36,986) | (42,761) | (14,826) | (15,960) | (16,520) |
| Expenses not requiring appropriation in the Budget year (b) | 290 | 290 | 290 | 290 | 290 |
| **Departmental total** | **45,051** | **42,812** | **15,015** | **16,147** | **16,707** |
| **Total expenses for program 1.3** | **53,905** | **51,026** | **21,035** | **18,147** | **18,707** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 8,854 | 8,264 | 6,070 | 2,050 | 2,050 |
| Special appropriations (c) | 35 | 300 | 300 | 300 | 300 |
| **Total Administered expenses** | **8,889** | **8,564** | **6,370** | **2,350** | **2,350** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 111,957 | 130,484 | 101,221 | 101,929 | 103,100 |
| s74 External Revenue (a) | 398 | 100 | 100 | 100 | 100 |
| Special accounts |  |  |  |  |  |
| Non-appropriation receipts | 410 | - | - | - | - |
| Appropriation receipts (d) | 44,636 | 42,761 | 14,826 | 15,960 | 16,520 |
| less expenses made from appropriations credited to special accounts (e) | (36,986) | (42,761) | (14,826) | (15,960) | (16,520) |
| Expenses not requiring appropriation in the Budget year (b) | 6,852 | 6,852 | 6,852 | 6,852 | 6,852 |
| **Total Departmental expenses** | **127,267** | **137,436** | **108,173** | **108,881** | **110,052** |
| **Total expenses for Outcome 1** | **136,156** | **146,000** | **114,543** | **111,231** | **112,402** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 518 | 523 |

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, and amortisation expenses.

(c) The ACMA receives funds through Special Appropriations for refunds under the PGPA Act — s77 and funding for 'Other Trust Monies' which, when used, are not expensed and therefore not included in this table.

(d) Two measures providing additional funding for the Office of the eSafety Commissioner terminate in 2022-23.

(e) Appropriations credited to the Online Safety Special Account includes Departmental Capital Budget (DCB).

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| Outcome 1 – A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice | | |
| --- | --- | --- |
| **Program 1.1 – Communications regulation, planning and licensing**  This program contributes to the outcome by the allocation and use of Australia’s critical public resources, radiofrequency spectrum and telephone numbers, to maximise their value to the Australian community. | | |
| **Key Activities** | Key activity 1 - Support an efficient and reliable communications infrastructure. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021‑22 (a) | Plan and allocate communications infrastructure resources | Target fully met |
|  | Efficient numbering allocation | Target fully met |
|  | Authorisation and licensing of communications infrastructure providers and individuals | Target fully met |
|  | Compliance and enforcement with communications infrastructure rules | Target fully met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 (b) | The ACMA’s spectrum planning, allocation and licensing activity meets the needs of the communications industry | The spectrum management work program is informed by ACMA’s consultation with spectrum users, industry and government.  The progress of delivering the spectrum management work program is published every 6 months.  Apparatus licensing issue and renewal decisions meet the statutory requirements.  The ACMA’s communications infrastructure compliance activities are informed by a risk-based assessment of harm. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 cont.(b) | The ACMA’s contribution to the international spectrum framework supports the needs of the Australian communications industry | Australia’s international engagement activities are informed by the ACMA’s consultation with industry and government.  The ACMA’s international engagement activities at International Telecommunication Union Radiocommunication Sector (ITU-R) and regional meetings support Australia’s interests. |
|  | The ACMA’s activities contribute to telecommunications infrastructure providers having confidence that they are appropriately authorised and enabled to provide communication services | Telecommunications carrier licensing and submarine cable permit activities meet statutory requirements.  Equipment regulation appropriately mitigates the risk of harm to communications networks and people using or working on those networks.  Numbering services are available 99% of the time and 99.9% of numbering transactions are processed within 5 seconds. |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |
| **Material changes to Program 1.1 resulting from October 2022-23 Budget Measures:**   * Australian Communications and Media Authority Spectrum Management Enhancement * Shortland Terrestrial Television Transmission | | |

1. The actual performance results for the 2021-22 year will be reported in the Annual Performance Statement in the ACMA’s 2021-22 Annual Report.
2. The ACMA updated its performance measures and targets in its 2022-23 Corporate plan to ensure they are directly linked to the ACMA’s purpose, are reliable, verifiable and unbiased.

| **Program 1.2 – Consumer safeguards, education and information**  This program contributes to the outcome by ensuring efficient, effective and contemporary safeguards protect users of media and communication services so that the Australian community can confidently use those services. | | |
| --- | --- | --- |
| **Key Activities** | Key activity 2 - Build consumer trust in the use of communications content and services. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021‑22 (a) | Compliance and enforcement with communications content and services rules | Target mostly met (b) |
|  | Establish and maintain the National Self Exclusion Register (NSER) | Target not met (c) |
|  | Maintain the Do Not Call Register | Target fully met |
|  | Educate consumers on content and service protections and industry on their obligations | Target mostly met (d) |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 **(e)** | The ACMA’s activities contribute to Australian consumers having confidence in the content and services available to them | 80% or more of surveyed consumers report having confidence in the content and services available to them.  The national self-exclusion register (NSER) data checking service is available to the wagering industry 99.95% or more of the time for the year.  The Do Not Call Register (DNCR) is available to the Australian public 99.5% or more of the time.  95% or more of investigations undertaken are completed within 6 months of the investigation being opened.  The ACMA’s compliance priorities concerning media and content services are on track or implemented on time. |
|  | The ACMA’s activities contribute to Australian consumers having access to diverse media content and services | Enforcement decisions to accept or give agreed measures, enforceable undertakings (EUs), remedial directions or injunctions deliver improved compliance by the relevant regulated entity.  Community broadcasting licence renewal decisions are made within the statutory timeframes.  Media control notifications and caption order applications are processed within statutory timeframes.  Annual compliance results for Australian content and captioning reporting are finalised within 6 months of reports being received. |
| The ACMA’s activities contribute to Australians’ access to a competitive telecommunications market | The ACMA’s compliance priorities concerning telecommunications services are on track.  Enforcement decisions to accept or give agreed measures, EUs, remedial directions or injunctions deliver improved compliance by the relevant regulated entity. |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

1. The actual performance results for the 2021-22 year will be reported in the Annual Performance Statement in the ACMA’s 2021-22 Annual Report.
2. Two of the three targets were met. The target that was not met relates to target 5.3 which states that95% or more of investigations are completed within 6 months and all investigations within an average of 4 months. 85% of investigations within the 6-month target timeframe were completed and all investigations were completed within an average of 4 months. The impacts of COVID-19 on the ACMA and regulated entities were a key reason the target was not meet.
3. The target states that Australians would be able to register on the NSER by the end of 2021–22. The register, now known as BetStop, was not operational by the target date due to a longer procurement process along with delays to ensure the register would meet the stringent security requirements following completion of the Information Security Registered Assessors Program report.
4. Two of the three targets were met. The target that was not met relates to target 8.3 which states that finalised investigation or enforcement outcomes are published on the ACMA website within 45 days unless it is not in the public interest to do so. Of the 140 outcomes published, 101 were published within 45 days. The impact of COVID-19 on the ACMA and regulated entities was a key reason it did not meet this target. A change in the way interactive gambling investigations and enforcement actions were published also affected achieving this measure.
5. The ACMA updated its performance measures and targets in the 2022‑23 Corporate plan to ensure they are directly linked to the ACMA’s purpose, are reliable, verifiable and unbiased.

| **Program 1.3 – Office of the eSafety Commissioner**  Support positive online experiences through national leadership and administration of statutory schemes and educational and awareness activities that promote online safety for all Australians. | | |
| --- | --- | --- |
| **Key Activities** | Improve and promote online safety for Australians. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021‑22 | Operation of a complaints scheme to deal with serious cyberbullying affecting Australian children | Target fully met |
|  | Operation of a complaints scheme to deal with image based abuse affecting Australians | Target fully met |
|  | Operation of a complaints scheme for the removal of online content that breaches legislative standards | Target fully met |
|  | Operation of a response capability to block terrorist and extreme violent material in online crisis events | Target fully met |
|  | Promote online safety for all Australians | Target fully met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 **(a)** | Australians are enabled by education, training and resources to prevent online harms. | More than 8,500 participants in front-line and professional learning training sessions.  More than 1.4million unique visitors to eSafety websites.  Over 90% of Be Connected learners satisfied with training courses |
|  | Educational programs, strategies and tools are based on an understanding of the specific needs of groups most at risk of online harm. | 100% of resources informed by research and insights and involve codesign or collaboration with targeted cohorts and/or advocates.  Inaugural publication of eSafety online harms assessment.  Over 90% of participants in front-line professional learning training sessions rating eSafety’s educational and training as relevant or very relevant to their role. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |

|  |  |  |
| --- | --- | --- |
| Budget year 2022‑23 cont. | eSafety’s regulatory decision-making across the four reporting schemes is proportionate, consistent, fair and informed by evidence. | Over 70% of Cyberbullying and Adult Cyber Abuse complaints or reports received, triaged and assigned to an investigator within 3-hour timeframe.  Over 90% of Image Based Abuse complaints or reports responded to within two business days.  Over 90% of critical Online Content Scheme investigations finalised within two business days. |
|  | eSafety takes effective action to remove material causing online harms. | Over 80% of actionable material from Image Based Abuse, Cyberbullying and Adult Cyber Abuse complaints removed. |
|  | Industry codes are registered, or industry standards are determined. | 100% of industry sections have codes registered, or industry standards in place. |
|  | The Basic Online Safety Expectations are operationalised. | Publication of regulatory guidance for relevant industry on the Basic Online Safety Expectations.  Initial set of non-periodic reporting notices issued. |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

1. eSafety has developed a corporate plan for 2022-23 and has updated the performance measures to those reported.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the ACMA’s finances for the 2022-23 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

The ACMA is budgeting for a break-even position in 2022-23 and the forward estimates, excluding depreciation and amortisation expenses, and adjustments for leases under the AASB 16 Leases accounting standard.

Through the 2022-23 October Budget, the ACMA has been appropriated for two additional measures relating to Spectrum Management Enhancement and Shortland Terrestrial Television transmission. These measures provide an additional $1.7 million in departmental operating funding, and $0.7 million in capital to the ACMA in 2022‑23.

The ACMA completed the 850/900MHz spectrum auction in December 2021. This auction will raise $2.1 billion in cash receipts to Consolidated Revenue in 2023-24, with the administered revenue recognised the following year on the commencement of these 20-year licences on 1 July 2024. The outcome of the auction is initially recognised as a gain in accordance with AASB 138 Intangible Assets, and subsequently treated as a finance lease from the commencement of the licence under AASB 16 Leases. All proceeds from auctions are returned to consolidated revenue by the ACMA.

### 

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 62,882 | 75,488 | 59,059 | 59,092 | 58,800 |
| Suppliers | 40,302 | 46,104 | 33,342 | 34,093 | 36,831 |
| Depreciation and amortisation (a) | 15,296 | 15,296 | 15,296 | 15,296 | 14,086 |
| Finance costs | 629 | 548 | 476 | 400 | 335 |
| Write-down and impairment of assets | 93 | - | - | - | - |
| Losses from asset sales | 5 | - | - | - | - |
| **Total expenses** | **119,207** | **137,436** | **108,173** | **108,881** | **110,052** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 1,514 | 100 | 100 | 100 | 100 |
| Other | 23 | - | - | - | - |
| **Total own-source revenue** | **1,537** | **100** | **100** | **100** | **100** |
| **Gains** |  |  |  |  |  |
| Other | 90 | - | - | - | - |
| **Total Gains** | **90** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **1,627** | **100** | **100** | **100** | **100** |
| **Net (cost of)/contribution by services** | **(117,580)** | **(137,336)** | **(108,073)** | **(108,781)** | **(109,952)** |
| Revenue from Government | 121,382 | 130,788 | 101,850 | 102,896 | 104,187 |
| **Surplus/(deficit) attributable to the Australian Government** | **3,802** | **(6,548)** | **(6,223)** | **(5,885)** | **(5,765)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **3,802** | **(6,548)** | **(6,223)** | **(5,885)** | **(5,765)** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **3,802** | **(6,548)** | **(6,223)** | **(5,885)** | **(5,765)** |
| plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a) | 6,852 | 6,852 | 6,852 | 6,852 | 6,852 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 8,444 | 8,444 | 8,444 | 8,444 | 7,234 |
| less: lease principal repayments (b) | (5,252) | (8,748) | (9,073) | (9,411) | (8,321) |
| **Net cash operating surplus/ (deficit)** | **13,846** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 12,705 | 12,705 | 12,705 | 12,705 | 12,705 |
| Trade and other receivables | 49,329 | 49,329 | 49,329 | 49,329 | 49,329 |
| ***Total financial assets*** | ***62,034*** | ***62,034*** | ***62,034*** | ***62,034*** | ***62,034*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 64,815 | 58,282 | 49,849 | 39,116 | 29,593 |
| Property, plant and equipment | 3,693 | 3,304 | 2,590 | 2,615 | 2,640 |
| Intangibles | 20,248 | 19,976 | 27,528 | 35,604 | 40,623 |
| Other non-financial assets | 3,973 | 3,973 | 3,973 | 3,973 | 3,973 |
| ***Total non-financial assets*** | ***92,729*** | ***85,535*** | ***83,940*** | ***81,308*** | ***76,829*** |
| **Total assets** | **154,763** | **147,569** | **145,974** | **143,342** | **138,863** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 5,554 | 5,554 | 5,554 | 5,554 | 5,554 |
| Other payables | 2,773 | 2,773 | 2,773 | 2,773 | 2,773 |
| ***Total payables*** | ***8,327*** | ***8,327*** | ***8,327*** | ***8,327*** | ***8,327*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 64,458 | 55,710 | 46,637 | 37,226 | 28,905 |
| ***Total interest bearing liabilities*** | ***64,458*** | ***55,710*** | ***46,637*** | ***37,226*** | ***28,905*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 20,900 | 20,900 | 20,900 | 20,900 | 20,900 |
| Other provisions | 2,758 | 2,758 | 2,758 | 2,758 | 2,758 |
| ***Total provisions*** | ***23,658*** | ***23,658*** | ***23,658*** | ***23,658*** | ***23,658*** |
| **Total liabilities** | **96,443** | **87,695** | **78,622** | **69,211** | **60,890** |
| **Net assets** | **58,320** | **59,874** | **67,352** | **74,131** | **77,973** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 157,024 | 165,126 | 178,827 | 191,491 | 201,098 |
| Reserves | 2,175 | 2,175 | 2,175 | 2,175 | 2,175 |
| Retained surplus (accumulated deficit) | (100,879) | (107,427) | (113,650) | (119,535) | (125,300) |
| **Total equity** | **58,320** | **59,874** | **67,352** | **74,131** | **77,973** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | (100,879) | 2,175 | 157,024 | 58,320 |
| ***Adjusted opening balance*** | ***(100,879)*** | ***2,175*** | ***157,024*** | ***58,320*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (6,548) | - | - | (6,548) |
| ***Total comprehensive income*** | ***(6,548)*** | ***-*** | ***-*** | ***(6,548)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental capital budget (DCB) | - | - | 8,102 | 8,102 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***8,102*** | ***8,102*** |
| **Closing balance attributable to the Australian Government** | **(107,427)** | **2,175** | **165,126** | **59,874** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 114,421 | 130,788 | 101,850 | 102,896 | 104,187 |
| Sale of goods and rendering of services | 808 | 100 | 100 | 100 | 100 |
| Net GST received | 5,845 | 3,169 | 3,169 | 3,169 | 3,169 |
| Other | 5 | - | - | - | - |
| ***Total cash received*** | ***121,079*** | ***134,057*** | ***105,119*** | ***106,165*** | ***107,456*** |
| **Cash used** |  |  |  |  |  |
| Employees | 64,776 | 75,488 | 59,059 | 59,092 | 58,800 |
| Suppliers | 47,868 | 49,273 | 36,511 | 37,262 | 40,000 |
| Interest payments on lease liability | 616 | 548 | 476 | 400 | 335 |
| ***Total cash used*** | ***113,260*** | ***125,309*** | ***96,046*** | ***96,754*** | ***99,135*** |
| **Net cash from/(used by) operating activities** | **7,819** | **8,748** | **9,073** | **9,411** | **8,321** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 9,791 | 8,102 | 13,701 | 12,664 | 9,607 |
| ***Total cash used*** | ***9,791*** | ***8,102*** | ***13,701*** | ***12,664*** | ***9,607*** |
| **Net cash from/(used by) investing activities** | **(9,791)** | **(8,102)** | **(13,701)** | **(12,664)** | **(9,607)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 15,788 | 8,102 | 13,701 | 12,664 | 9,607 |
| ***Total cash received*** | ***15,788*** | ***8,102*** | ***13,701*** | ***12,664*** | ***9,607*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 5,255 | 8,748 | 9,073 | 9,411 | 8,321 |
| Other | 464 | - | - | - | - |
| ***Total cash used*** | ***5,719*** | ***8,748*** | ***9,073*** | ***9,411*** | ***8,321*** |
| **Net cash from/(used by) financing activities** | **10,069** | **(646)** | **4,628** | **3,253** | **1,286** |
| **Net increase/(decrease) in cash held** | **8,097** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 4,608 | 12,705 | 12,705 | 12,705 | 12,705 |
| **Cash and cash equivalents at the end of the reporting period** | **12,705** | **12,705** | **12,705** | **12,705** | **12,705** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) (a) | 15,788 | 8,102 | 13,701 | 12,664 | 9,607 |
| **Total new capital appropriations** | **15,788** | **8,102** | **13,701** | **12,664** | **9,607** |
| ***Provided for:*** |  |  |  |  |  |
| Purchase of non-financial assets | 9,790 | 8,102 | 13,701 | 12,664 | 9,607 |
| ***Total items*** | **9,790** | **8,102** | **13,701** | **12,664** | **9,607** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation - DCB (b) | 9,790 | 8,102 | 13,701 | 12,664 | 9,607 |
| **TOTAL** | **9,790** | **8,102** | **13,701** | **12,664** | **9,607** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 9,790 | 8,102 | 13,701 | 12,664 | 9,607 |
| **Total cash used to acquire assets** | **9,790** | **8,102** | **13,701** | **12,664** | **9,607** |

Prepared on Australian Accounting Standards basis.

1. Departmental capital budget (DCB) received in 2021-22 includes $0.528 million to reimburse the ACMA for capital payments in 2020-21 relating to the Media Sector Support measure.
2. Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles  $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 1,595 | 13,220 | 6,901 | 64,633 | 86,349 |
| Gross book value - ROU assets | - | 78,545 | - | - | 78,545 |
| Accumulated depreciation/ amortisation and impairment | - | (16,943) | (3,208) | (44,385) | (64,536) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (11,602) | - | - | (11,602) |
| **Opening net book balance** | **1,595** | **63,220** | **3,693** | **20,248** | **88,756** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 4,200 | 1,000 | 2,902 | 8,102 |
| **Total additions** | **-** | **4,200** | **1,000** | **2,902** | **8,102** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (2,289) | (1,489) | (3,074) | (6,852) |
| Depreciation/amortisation on ROU assets | - | (8,444) | - | - | (8,444) |
| Reclassification | - | - | 100 | (100) | - |
| **Total other movements** | **-** | **(10,733)** | **(1,389)** | **(3,174)** | **(15,296)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 1,595 | 17,420 | 8,001 | 67,435 | 94,451 |
| Gross book value - ROU assets | - | 78,545 | - | - | 78,545 |
| Accumulated depreciation/amortisation and impairment | - | (19,232) | (4,697) | (47,459) | (71,388) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (20,046) | - | - | (20,046) |
| **Closing net book balance** | **1,595** | **56,687** | **3,304** | **19,976** | **81,562** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, Departmental capital budget or other operational expenses.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 4,224 | 4,264 | 4,320 | 300 | 300 |
| Grants | 5,254 | 4,250 | 2,000 | 2,000 | 2,000 |
| Write-down and impairment of assets | 2,341 | - | - | - | - |
| Other expenses | - | 50 | 50 | 50 | 50 |
| **Total expenses administered on behalf of Government** | **11,819** | **8,564** | **6,370** | **2,350** | **2,350** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 1,248,358 | 1,278,953 | 1,284,881 | 1,306,964 | 1,347,329 |
| ***Total taxation revenue*** | ***1,248,358*** | ***1,278,953*** | ***1,284,881*** | ***1,306,964*** | ***1,347,329*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 6,288 | 17,259 | 17,804 | 17,479 | 17,479 |
| Fees and fines | 36,777 | 37,659 | 37,413 | 37,324 | 37,324 |
| Interest | 1,565 | 1,570 | 1,179 | 787 | 396 |
| ***Total non-taxation revenue*** | ***44,630*** | ***56,488*** | ***56,396*** | ***55,590*** | ***55,199*** |
| **Total own-source revenue administered on behalf of Government** | **1,292,988** | **1,335,441** | **1,341,277** | **1,362,554** | **1,402,528** |
| **Gains** |  |  |  |  |  |
| Resource received free of charge (a) (b) | 652,508 | - | - | 2,091,618 | - |
| **Total gains administered on behalf of Government** | **652,508** | **-** | **-** | **2,091,618** | **-** |
| **Total own-sourced income administered on behalf of Government** | **1,945,496** | **1,335,441** | **1,341,277** | **3,454,172** | **1,402,528** |
| **Net (cost of)/contribution by services** | **1,933,677** | **1,326,877** | **1,334,907** | **3,451,822** | **1,400,178** |

Prepared on Australian Accounting Standards basis.

1. Resources received free of charge from the sale of spectrum is recognised at the commencement of each licence. The 2021-22 gain is a result of the commencement of 26GHz spectrum licences. The winning bidders pay a premium to the auction price to make five annual cash instalments with the first instalment in June 2021. No estimates are made for the outcome of future spectrum auctions.
2. The 2024-25 gain is a result of the commencement of 850/900MHz spectrum licences. The winning bidders are expected to pay the full amount of the auction price in 2023-24 before the licences commence.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 618 | 618 | 618 | 618 | 618 |
| Taxation receivables | 742,507 | 783,289 | 813,705 | 844,702 | 884,299 |
| Trade and other receivables (a) | 584,444 | 498,295 | 367,873 | 237,059 | 105,854 |
| Other financial assets | 23 | 23 | 23 | 23 | 23 |
| ***Total financial assets*** | ***1,327,592*** | ***1,282,225*** | ***1,182,219*** | ***1,082,402*** | ***990,794*** |
| **Total assets administered on behalf of Government** | **1,327,592** | **1,282,225** | **1,182,219** | **1,082,402** | **990,794** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Unearned revenue (b) | - | - | 2,091,618 | - | - |
| Other payables | 98,906 | 98,906 | 98,906 | 98,906 | 98,906 |
| ***Total payables*** | ***98,906*** | ***98,906*** | ***2,190,524*** | ***98,906*** | ***98,906*** |
| **Total liabilities administered on behalf of Government** | **98,906** | **98,906** | **2,190,524** | **98,906** | **98,906** |
| **Net assets/(liabilities)** | **1,228,686** | **1,183,319** | **(1,008,305)** | **983,496** | **891,888** |

Prepared on Australian Accounting Standards basis.

1. The sale of the 26 GHz spectrum results in the recognition of a finance lease receivable in 2021-22, which is reduced through the expected instalment payments made by the winning auction bidders.
2. The unearned revenue in 2023-24 relates to the cash expected to be received ahead of the commencement of the 850/900MHz licences sold at auction held in December 2021.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Sales of goods and rendering of services | 6,287 | 41,898 | 41,652 | 41,563 | 41,563 |
| Rental Income (a) (b) | - | 130,031 | 2,222,040 | 130,814 | 131,205 |
| Interest (a) | - | 1,570 | 1,179 | 787 | 396 |
| Taxes | 571,998 | 490,266 | 520,082 | 511,168 | 511,936 |
| Other | 6,640 | 13,020 | 13,565 | 13,240 | 13,240 |
| ***Total cash received*** | ***584,925*** | ***676,785*** | ***2,798,518*** | ***697,572*** | ***698,340*** |
| **Cash used** |  |  |  |  |  |
| Grant | 5,608 | 4,250 | 2,000 | 2,000 | 2,000 |
| Suppliers | 4,503 | 4,264 | 4,320 | 300 | 300 |
| Other | - | 50 | 50 | 50 | 50 |
| ***Total cash used*** | ***10,111*** | ***8,564*** | ***6,370*** | ***2,350*** | ***2,350*** |
| **Net cash from/(used by) operating activities** | **574,814** | **668,221** | **2,792,148** | **695,222** | **695,990** |
| ***Net increase/(decrease) in cash held*** | ***574,814*** | ***668,221*** | ***2,792,148*** | ***695,222*** | ***695,990*** |
| Cash and cash equivalents at beginning of reporting period | 815 | 618 | 618 | 618 | 618 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 11,276 | 8,564 | 6,370 | 2,300 | 2,300 |
| - Special accounts | - | 50 | 50 | 50 | 50 |
| *Total cash from Official Public Account* | *11,276* | *8,614* | *6,420* | *2,350* | *2,350* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (586,287) | (676,785) | (2,798,518) | (697,522) | (698,290) |
| - Special accounts | - | (50) | (50) | (50) | (50) |
| *Total cash to Official Public Account* | *(586,287)* | *(676,835)* | *(2,798,568)* | *(697,572)* | *(698,340)* |
| **Cash and cash equivalents at end of reporting period** | **618** | **618** | **618** | **618** | **618** |

Prepared on Australian Accounting Standards basis.

1. Approximately $130m per annum relates to sale of the 26GHz spectrum, reflecting the accounting treatment under AASB 16 Leases. The winning bidders pay a premium to the auction price to make five annual cash instalments. The first instalment was paid in June 2021, the second instalment was made in July 2022, and the remaining three instalments are expected annually by 1 August in each relevant year.
2. The significant increase in 2023-24 relates to the sale of the 850/900MHz spectrum licences at auction in December 2021. The winning bidders are expected to make a full payment of the auction price ahead of the commencement of the licences on 1 July 2024.

Australian Film, Television and Radio School

Entity resources and planned performance

Australian Film, Television and Radio School

[Section 1: Entity overview and resources 179](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311176)

[1.1 Strategic direction statement 179](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311177)

[1.2 Entity resource statement 181](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311178)

[1.3 Budget measures 181](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311179)

[Section 2: Outcomes and planned performance 182](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311180)

[2.1 Budgeted expenses and performance for Outcome 1 183](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311181)

[Section 3: Budgeted financial statements 187](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311182)

[3.1 Budgeted financial statements 187](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311183)

[3.2 Budgeted financial statements tables 188](file:///G:\Corporate\Finance\Budgets%20&amp;%20Rpting\Budget%20-%20External\07.%20PBS%20and%20PAES\2022-23%20PBS\2022-23%20PBS%20(October)\7.%20Master%20Doc\2.4%20Sent%20to%20Ministers%20Office%20(Date)%20-TBourke\z_archive\6.%20October_2022-23_Infra_PBS_06_AFTRS_101022.docx#_Toc99311184)

# Australian Film, Television and Radio School

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Film, Television and Radio School (AFTRS) is the national institution for education, training and research for the screen and broadcast industries. Guided by its enabling legislation, the *Australian, Film, Television and Radio School Act 1973*, AFTRS works hand-in-hand with the screen and broadcast industries to provide Australians with the highest level of screen and broadcast education, training and research so that Australian stories and culture thrive at home and around the world.

As a global centre of excellence, AFTRS embraces connection and exchange with its international partners; as the national school, AFTRS reflects all Australians and is accessible to all Australians. In a time defined by the pace of change, the School is adaptive, nimble and fit for purpose in meeting industry’s evolving needs. Accordingly, the School’s new five-year strategy, *Creating the Future*, launched internally in 2021 and publicly in February 2022, is constructed around three pillars: national reach, excellence and sustainability.

* **National Reach** – As the national screen and broadcast school, AFTRS engages, upskills and supports the most talented learners in all states and territories.
* **Excellence** – Working in close partnership with industry, AFTRS offers the highest level of screen and broadcast training. The School’s graduates are sought-after for their craft skills and artistry. They are enterprising, creative and professional. They understand the power of Australian story, underpinned by a First Nations culture, enriched by the diversity of our country, to engage, entertain and connect audiences at home and around the world.
* **Sustainability** – AFTRS has a suite of scalable, adaptive offerings that allow it to grow its business whilst meeting local, regional and state and territory demands for graduates in a sustainable way for its staff, its school resources, and its industry.

These pillars are underpinned by the following areas of strategic focus:

* First Nations Culture – Embed First Nations values within AFTRS to build the capacity of its staff, graduates and industry
* Outreach and Inclusion – Support under-represented talent across Australia to work in the Australian screen and broadcast industries
* Talent Development – Partner with industry to educate and train world-class storytelling talent across Australia
* Industry Skills Training – Ensure Australian screen and broadcast practitioners have the skills required for its industry to thrive
* Research and Innovation – Provide industry with the new knowledge it needs to keep Australia at the forefront of global innovation
* Effective Organisation – Ensure an adaptive, efficient and sustainable business that supports AFTRS as a global centre of excellence for screen and broadcast education, training and research.

These strategies continue to ensure that AFTRS will achieve its Outcome and Program in 2022–23 and over the forward estimates.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to AFTRS 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 AFTRS’ 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: AFTRS resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **7,941** | **8,226** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 22,738 | 22,997 |
| Total annual appropriations | 22,738 | 22,997 |
| **Total funds from Government** | **22,738** | **22,997** |
| **Funds from other sources** |  |  |
| Interest | 42 | 63 |
| Sale of goods and services | 10,500 | 9,388 |
| Other | 107 | 21 |
| **Total funds from other sources** | **10,649** | **9,472** |
| **Total net resourcing for AFTRS** | **41,328** | **40,695** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 141 | 145 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

AFTRS 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 (a non-corporate Commonwealth entity), which are then paid to AFTRS and are considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures relating to AFTRS for the 2022-23 October 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 Australian Film, Television and Radio School (AFTRS) can be found at: <https://www.aftrs.edu.au/governance/corporate-documents/>  The most recent annual performance statement can be found at: https://www.aftrs.edu.au/governance/corporate-documents/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research |

##### **Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Delivery of specialist education** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 22,738 | 22,997 | 23,886 | 24,199 | 24,401 |
| Expenses not requiring appropriation in the Budget year | 1,831 | 42 | 259 | 206 | 149 |
| Revenues from other independent sources | 9,004 | 10,291 | 10,379 | 10,447 | 10,572 |
| **Total expenses for Program 1.1** | **33,573** | **33,330** | **34,524** | **34,852** | **35,122** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 22,738 | 22,997 | 23,886 | 24,199 | 24,401 |
| Expenses not requiring appropriation in the Budget year | 1,831 | 42 | 259 | 206 | 149 |
| Revenues from other independent sources | 9,004 | 10,291 | 10,379 | 10,447 | 10,572 |
| **Total expenses for Outcome 1** | **33,573** | **33,330** | **34,524** | **34,852** | **35,122** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 141 | 145 |

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1** – Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research | | |
| --- | --- | --- |
| **Program 1.1** – Delivery of specialist education to meet the diverse creative needs of students and the skill requirements of industry by means of award courses, training programs and events. | | |
| **Key Activities** | Grow First Nations Community Stakeholders and Projects.  Deliver courses across the country.  Deliver accredited courses.  Deliver industry aligned training.  Partner with screen and broadcast stakeholders to provide targeted training. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | **First Nations Culture:** Embedding First Nations values within AFTRS by including First Nations’ knowledges, voices, values, and pedagogies to build the capacity and knowledge of our staff, graduates, and industry. | Target: 2 First Nations-led partnerships  Actual: 9 First Nations-led partnerships are in place.  Target met |
|  | **Outreach and Inclusion:** Supporting under-represented talent across Australia to learn, make and work in the Australian screen and broadcast industries and building an inclusive school culture that celebrates all Australians. Creating a flexible and responsive model of delivery that allows us to capitalise on established strengths delivering face-to-face learning in our world-class Sydney campus. | Target: 3,000 participants in industry training  Actual: 2,554 participants in industry training in the year.  Target not met  Target: 1 partnered industry event per State and Territory outside of NSW  Actual: Partnered Industry events were held in 2 states other than NSW.  Target not met |
|  | **Talent Development:** Empower student learning through an experiential curriculum that is inclusive and flexible, and national in its reach and enable teaching excellence. | Target: 300 award course enrolments (per calendar year)  Actual: 406 award course enrolments within the calendar year.  Target met  Target: 100 award course graduates (per calendar year)  Actual: 154 award course graduates within the calendar year.  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 cont. | I**ndustry Skills Training:** Creating future-oriented, industry-aligned learning environments that are accessible and transformative and provide pathways to life-long careers in the screen and broadcast industries. Partnering with industry in the design, development, and delivery of courses. | Target: 75% of recent graduates applying the skills they learnt in their AFTRS course professionally  Actual: 78% of recent graduates are applying the skills they learned in their AFTRS course professionally  Target met  Target: 10 industry training partnerships  Actual: 10 industry training partnerships were in place.  Target met  Target: Annual consultation with industry stakeholders, including industry Advisory Panels and triennial skills survey  Actual:AFTRS undertook annual consultation with industry stakeholders, including four Industry Advisory Panels, and the commissioning of the Career Pathways survey.  Target met |
|  | **Research and Innovation:** Providing the industry with the new knowledge it needs to keep Australia at the forefront of global innovation. Supporting a culture of enquiry, exploration, and rigour through the School’s research programs. | Target: 2 disseminated industry research projects  Actual: 2 industry research projects were disseminated during the year.  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 | **First Nations Culture:** Embedding First Nations values within AFTRS by including First Nations’ knowledges, voices, values, and pedagogies to build the capacity and knowledge of our staff, graduates, and industry. | 2 First Nations-led partnerships |
| **Outreach and Inclusion:** Supporting under-represented talent across Australia to learn, make and work in the Australian screen and broadcast industries and building an inclusive school culture that celebrates all Australians. Creating a flexible and responsive model of delivery that allows us to capitalise on established strengths delivering face-to-face learning in our world-class Sydney campus. | 3,000 participants in industry training  1 partnered industry event per State and Territory outside of NSW |
| **Talent Development:** Empower student learning through an experiential curriculum that is inclusive and flexible, and national in its reach and enable teaching excellence. | 300 award course enrolments (per calendar year)  100 award course graduates (per calendar year) |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 cont. | I**ndustry Skills Training:** Creating future-oriented, industry-aligned learning environments that are accessible and transformative and provide pathways to life-long careers in the screen and broadcast industries. Partnering with industry in the design, development, and delivery of courses. | 75% of recent graduates applying the skills they learnt in their AFTRS course professionally  10 industry training partnerships  Annual consultation with industry stakeholders, including industry Advisory Panels and triennial skills survey |
| **Research and Innovation:** Providing the industry with the new knowledge it needs to keep Australia at the forefront of global innovation. Supporting a culture of enquiry, exploration, and rigour through the School’s research programs. | 2 disseminated industry research projects |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23. |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AFTRS’ finances for the 2022-23 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

**Comprehensive income statement**

Own-source revenue is expected to increase by 14% in 2022–23. Award Course fee income of $7.8 million is an increase of 13% from the 2021–22 result and is expected to continue to increase across the forward estimates period. Income from Short and Industry Courses and Business Development is budgeted to be $2.4 million for 2022–23 ($1.8 million for 2021–22) and is then expected to increase throughout the forward estimates period.

Employee costs are expected to decrease by 1.7 per cent to $18.1 million in 2022–23 and then increase over the forward years. Overall, total expenses for 2022–23 ($33.3 million) is a decrease of 1 per cent from 2021–22. The average staffing level is planned to be 145 in the forward years.

**Departmental balance sheet**

The budgeted balance sheet is based on the latest forecast with due consideration to flow-ons from the capital expenditure budget, income statements and cash inflows and outflows.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | | 2022-23 Budget  $'000 | | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **EXPENSES** | |  | |  | |  | |  | |  | |
| Employee benefits | | 18,381 | | 18,070 | | 18,117 | | 18,162 | | 18,210 | |
| Suppliers | | 7,870 | | 7,556 | | 8,594 | | 8,746 | | 8,785 | |
| Depreciation and amortisation | | 6,456 | | 7,081 | | 7,212 | | 7,406 | | 7,653 | |
| Finance costs | | 647 | | 623 | | 601 | | 538 | | 474 | |
| Write-down and impairment of assets | | 219 | | - | | - | | - | | - | |
| **Total expenses** | | **33,573** | | **33,330** | | **34,524** | | **34,852** | | **35,122** | |
| **LESS:** | |  | |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** | |  | |  | |  | |  | |  | |
| **Own-source revenue** | |  | |  | |  | |  | |  | |
| Sale of goods and rendering of services | | 8,804 | | 10,220 | | 10,308 | | 10,376 | | 10,501 | |
| Interest | | 50 | | 50 | | 50 | | 50 | | 50 | |
| Other | | 150 | | 21 | | 21 | | 21 | | 21 | |
| **Total own-source revenue** | | **9,004** | | **10,291** | | **10,379** | | **10,447** | | **10,572** | |
| **Total own-source income** | | **9,004** | | **10,291** | | **10,379** | | **10,447** | | **10,572** | |
| **Net (cost of)/contribution by services** | | **(24,569)** | | **(23,039)** | | **(24,145)** | | **(24,405)** | | **(24,550)** | |
| Revenue from Government | | 22,738 | | 22,997 | | 23,886 | | 24,199 | | 24,401 | |
| **Surplus/(deficit) attributable to the Australian Government** | | **(1,831)** | | **(42)** | | **(259)** | | **(206)** | | **(149)** | |
| **OTHER COMPREHENSIVE INCOME** | |  | |  | |  | |  | |  | |
| Changes in asset revaluation surplus | | 385 | | **-** | | **-** | | - | | - | |
| **Total other comprehensive income** | | **385** | | **-** | | **-** | | **-** | | **-** | |
| **Total comprehensive income/(loss)** | | **(1,446)** | | **(42)** | | **(259)** | | **(206)** | | **(149)** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | | **(1,446)** | | **(42)** | | **(259)** | | **(206)** | | **(149)** | |
| **Note: Impact of net cash appropriation arrangements** | | | | |  | |  | |  | |
| **Total comprehensive income/(loss) - as per statement of Comprehensive Income** | **(1,446)** | | **(42)** | | **(259)** | | **(206)** | | **(149)** | |
| plus: depreciation/amortisation expenses for ROU assets (a) | 4,611 | | 4,973 | | 5,348 | | 5,348 | | 5,348 | |
| less: lease principal repayments (a) | (4,727) | | (4,931) | | (5,089) | | (5,142) | | (5,199) | |
| **Net Cash Operating Surplus/ (Deficit)** | **(1,562)** | | **-** | | **-** | | **-** | | **-** | |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 8,226 | 6,808 | 5,997 | 5,933 | 6,182 |
| Trade and other receivables | 3,087 | 3,715 | 3,812 | 3,759 | 3,796 |
| ***Total financial assets*** | ***11,313*** | ***10,523*** | ***9,809*** | ***9,692*** | ***9,978*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 49,815 | 51,250 | 45,902 | 40,555 | 35,207 |
| Property, plant and equipment | 7,699 | 7,748 | 7,852 | 7,746 | 7,244 |
| Intangibles | 411 | 287 | 330 | 382 | 580 |
| Other non-financial assets | 1,314 | 1,314 | 1,314 | 1,314 | 1,314 |
| ***Total non-financial assets*** | ***59,272*** | ***30,601*** | ***55,398*** | ***49,997*** | ***44,345*** |
| **Total assets** | **70,585** | **71,124** | **65,207** | **59,689** | **54,323** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 |
| Other payables | 4,985 | 4,794 | 4,467 | 4,414 | 4,451 |
| ***Total payables*** | ***6,455*** | ***6,264*** | ***5,937*** | ***5,884*** | ***5,921*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 49,861 | 51,337 | 46,248 | 41,107 | 35,908 |
| ***Total interest bearing liabilities*** | ***49,861*** | ***51,337*** | ***46,248*** | ***41,107*** | ***35,908*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,567 | 2,967 | 2,725 | 2,607 | 2,552 |
| ***Total provisions*** | ***3,567*** | ***2,967*** | ***2,725*** | ***2,607*** | ***2,552*** |
| **Total liabilities** | **59,881** | **60,568** | **54,910** | **49,598** | **44,381** |
| **Net assets** | **10,704** | **10,765** | **10,297** | **10,091** | **9,942** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Reserves | 1,468 | 1,468 | 1,468 | 1,468 | 1,468 |
| Retained surplus (accumulated deficit) | 9,234 | 9,058 | 8,799 | 8,593 | 8,444 |
| ***Total parent entity interest*** | ***10,704*** | ***10,765*** | ***10,297*** | ***10,091*** | ***9,942*** |
| **Total equity** | **10,704** | **10,765** | **10,297** | **10,091** | **9,942** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |
| Balance carried forward from previous period | 9.243 | 1,468 | 10,702 |
| ***Adjusted opening balance*** | ***-*** | ***-*** | ***-*** |
| **Comprehensive income** |  |  |  |
| Surplus/(deficit) for the period | (42) |  | (42) |
| ***Total comprehensive income*** | ***(42)*** | ***-*** | ***(42)*** |
| **Estimated closing balance as at 30 June 2023** | **9,192** | **1,468** | **10,660** |
| **Closing balance attributable to the Australian Government** | **9,192** | **1,468** | **10,660** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 22,738 | 22,997 | 23,886 | 24,199 | 24,401 |
| Sale of goods and rendering of services | 10,500 | 9,388 | 9,884 | 10,376 | 10,501 |
| Interest | 42 | 63 | 50 | 50 | 50 |
| Net GST received | 1,305 | 1,100 | 1,100 | 1,100 | 1,100 |
| Other | 107 | 21 | 21 | 21 | 21 |
| ***Total cash received*** | ***34,692*** | ***33,569*** | ***34,941*** | ***35,746*** | ***36,073*** |
| **Cash used** |  |  |  |  |  |
| Employees | 18,136 | 18,669 | 18,359 | 18,280 | 18,265 |
| Suppliers | 9,189 | 7,451 | 8,594 | 8,746 | 8,785 |
| Net GST paid | - | 1,100 | 1,100 | 1,100 | 1,100 |
| Interest payments on lease liability | 647 | 623 | 601 | 538 | 474 |
| ***Total cash used*** | ***27,972*** | ***27,843*** | ***28,654*** | ***28,664*** | ***28,624*** |
| **Net cash from/(used by) operating activities** | **6,720** | **5,726** | **6,287** | **7,082** | **7,449** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 1,708 | 2,002 | 2,009 | 2,004 | 2,001 |
| ***Total cash used*** | ***1,708*** | ***2,002*** | ***2,009*** | ***2,004*** | ***2,001*** |
| **Net cash from/(used by) investing activities** | **(1,708)** | **(2,002)** | **(2,009)** | **(2,004)** | **(2,001)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 4,727 | 4,931 | 5,089 | 5,142 | 5,199 |
| ***Total cash used*** | ***4,727*** | ***4,931*** | ***5,089*** | ***5,142*** | ***5,199*** |
| **Net cash from/(used by) financing activities** | **(4,272)** | **(4,931)** | **(5,089)** | **(5,142)** | **(5,199)** |
| **Net increase/(decrease) in cash held** | **285** | **(1,207)** | **(811)** | **(64)** | **249** |
| Cash and cash equivalents at the beginning of the reporting period | 7,941 | 8,226 | 7,019 | 6,208 | 6,144 |
| **Cash and cash equivalents at the end of the reporting period** | **8,226** | **7,019** | **6,208** | **6,144** | **6,393** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from departmental resources (a) | 1,708 | 2,002 | 2,009 | 2,004 | 2,001 |
| **TOTAL** | **1,708** | **2,002** | **2,009** | **2,004** | **2,001** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 1,708 | 2,002 | 2,009 | 2,004 | 2,001 |
| **Total cash used to acquire assets** | **1,708** | **2,002** | **2,009** | **2,004** | **2,001** |

Prepared on Australian Accounting Standards basis.

1. Funded from annual appropriations and may include donations and contributions, gifts, internally developed assets, and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Asset Category** | | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |
| Gross book value | - | 9,785 | 2,454 | 12,239 |
| Gross book value - ROU assets | 63,441 | 226 | - | 63,667 |
| Accumulated depreciation/amortisation and impairment | - | (2,220) | (2,015) | (4,235) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (13,626) | (92) | - | (13,718) |
| **Opening net book balance** | **49,815** | **7,699** | **439** | **57,953** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 1,902 | 100 | 2,002 |
| **Total additions** | **-** | **1,902** | **100** | **2,002** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (1,856) | (252) | (2,108) |
| Depreciation/amortisation on ROU assets | (4,973) | - | - | (4,793) |
| Other - ROU assets | 6,408 | - | - | 6,408 |
| **Total other movements** | **1,435** | **(1,856)** | **(252)** | **(673)** |
| **As at 30 June 2023** |  |  |  |  |
| Gross book value | - | 11,687 | 2,554 | 14,241 |
| Gross book value - ROU assets | 69,849 | 226 | - | 70,075 |
| Accumulated depreciation/amortisation and impairment | - | (4,076) | (2,267) | (6,343) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (18,599) | (92) | - | (18,691) |
| **Closing net book balance** | **51,250** | **7,745** | **287** | **59,282** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, DCBs or other operational expenses.

Australian Maritime Safety Authority

Entity resources and planned performance

Australian Maritime Safety Authority

[Section 1: Entity overview and resources 199](#_Toc99123119)

[1.1 Strategic direction statement 199](#_Toc99123120)

[1.2 Entity resource statement 200](#_Toc99123121)

[1.3 Budget measures 201](#_Toc99123122)

[Section 2: Outcomes and planned performance 202](#_Toc99123123)

[2.1 Budgeted expenses and performance for Outcome 1 203](#_Toc99123124)

[Section 3: Budgeted financial statements 211](#_Toc99123125)

[3.1 Budgeted financial statements 211](#_Toc99123126)

[3.2 Budgeted financial statements tables 213](#_Toc99123127)

# Australian Maritime Safety Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Maritime Safety Authority (AMSA) is a statutory authority established under the *Australian Maritime Safety Authority Act 1990* (AMSA Act) to:

* promote maritime safety and protection of the maritime environment
* prevent and combat ship-safety pollution in the marine environment
* provide infrastructure to support safety of navigation in Australian waters
* provide a national search and rescue service to the maritime and aviation sectors
* provide, on request, services to the maritime industry on a commercial basis
* provide, on request, services of a maritime nature on a commercial basis to the Commonwealth and/or states and territories.

AMSA regularly assesses its operating environment, challenges, goals, and risks to identify key priorities for coming years.

In 2022-23, AMSA will continue to focus on the strategic priorities that reflect AMSA’s statutory responsibilities. AMSA’s objective are consistent with the whole of government regulatory reform agenda and forms the basis for the program objectives and outputs detailed in the following sections.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to AMSA 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 AMSA’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

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: Australian Maritime Safety Authority resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **28,175** | **33,200** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 87,804 | 92,893 |
| Total annual appropriations | 87,804 | 92,893 |
| Special appropriations |  |  |
| *Australian Maritime Safety Authority Act 1990 (b)* | 135,641 | 134,642 |
| Total special appropriations | 135,641 | 134,642 |
| Amounts received from related entities (c) |  |  |
| Department of Infrastructure, Transport, Regional Development, Communications and the Arts | 3,433 | - |
| Department of Climate Change, Energy, the Environment and Water | 45 | - |
| Total amounts received from related entities | 3,478 | - |
| **Total funds from Government** | **226,923** | **227,535** |
| **Funds from other sources** |  |  |
| Interest | 476 | 468 |
| Sale of goods and services | 12,281 | 9,611 |
| Other | 21,798 | 3,351 |
| **Total funds from other sources** | **34,555** | **13,430** |
| **Total net resourcing for AMSA** | **289,653** | **274,165** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 425 | 448 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Levies collected under *Marine Navigation Levy Collection Act 1989*, *Marine Navigation (Regulatory Functions) Levy Collection Act 1991*, and *Protection of the Sea (Shipping Levy) Collection Act 1981* are paid to the Consolidated Revenue Fund and appropriated under section 48 of the *Australian Maritime Safety Authority Act 1990*.
3. Funding provided by a government entity that is not specified within the annual appropriation bills as a payment to the corporate Commonwealth entity.

AMSA 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 (a non-corporate Commonwealth entity), which are then paid to AMSA and are considered 'departmental' for all purposes.

1.3 Budget measures

There are no measures relating to AMSA for the 2022-23 October 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 AMSA can be found at:  https://www.amsa.gov.au/about/corporate-publications/corporate-plan-2022-23  The most recent annual performance statement can be found at:  https://www.amsa.gov.au/about/corporate-publications |

AMSA contributes to one Outcome and one Program, which is divided into two Sub‑programs:

* + - * **Sub-program 1: Seafarer and ship safety and environmental protection** aims to achieve the first part of AMSA’s Outcome: Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services.
* **Sub-program 2: Search and rescue** aims to achieve the second part of AMSA’s Outcome: Maximising the number of people saved from maritime and aviation incidents through search and rescue coordination.

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination |

#### Linked programs

|  |
| --- |
| **Attorney General’s Department** |
| **Programs**   * Program 1.1 – Attorney-General's Department Operating Expenses – Legal Services and Families * Program 1.2 – Attorney-General’s Department Operating Expenses—National Security, Integrity and International Program |
| **Contribution to Outcome 1 made by linked programs**  The Attorney General’s Department provides high quality legal policy advice to the Australian Government and its entities in relation to national security and criminal justice, protecting and promoting the rule of law and ensuring an effective and efficient Commonwealth criminal justice system, and building a safe and secure Australia.  AMSA engages with the Attorney General’s Department to obtain expert legal advice and assistance when needed. This advice ensures that AMSA operates within its regulatory remit, and that ongoing operation of AMSA’s aids to navigation network is considered within the Commonwealth’s response to native title claims. |
| **Civil Aviation Safety Authority (CASA)** |
| **Program**   * Program 1.1:   + Part 1: Maintain and enhance a fair, effective, and efficient aviation safety regulation system   + Part 2: Collaborative engagement with the aviation industry and wider community to promote and support aviation |
| **Contribution to Outcome 1 made by linked program**  CASA is responsible for regulating the aviation industry. The regulation of industry ensures that aircraft tasked by AMSA are meeting regulatory requirements, which supports operational risk management for responses, and accordingly the corporate risk that AMSA may be exposed to.  AMSA is responsible for delivering Australia’s commitment to International Civil Aviation Authority’s (ICAO) Annex 12 (Search and Rescue), and works with CASA and other aviation agencies to ensure a co-ordinated approach. |

|  |
| --- |
| **Department of Department of Climate Change, Energy, the Environment and Water (DCCEEW)** |
| **Program**   * Program 2.6: Management of Hazardous Wastes, Substances and Pollutants |
| **Contribution to Outcome 1 made by linked program**  DCCEEW works with AMSA to determine the feasibility of recycling clean and segregated waste from international ships at Australian ports and to develop a nationally consistent framework to support this activity in the longer term*.*  This action is identified in the National Waste Action Plan and supports Australia’s National Waste Plan to reduce landfill and increase the circular economy. Additionally, activity is undertaken to support the International Maritime Organizations Action Plan to Address Marine Plastic Litter from Ships that identifies the need to improve the effectiveness of port reception facilities in reducing marine plastic litter through the provision of recycling facilities. |
| **Department of Defence** |
| **Program**   * Program 2.14: Defence Intelligence |
| **Contribution to Outcome 1 made by linked program**  AMSA provides advice and direction on the provision of nautical charts and publications to best support maritime safety. |
| **Department of Foreign Affairs and Trade (DFAT)** |
| **Programs**   * Program 1.1: Foreign Affairs and Trade Operations * Program 2.1: Consular Services |
| **Contribution to Outcome 1 made by linked program**  DFAT provides funding support to AMSA for delivery of bilateral capacity building programs with Indonesia and Papua New Guinea, along with individual projects across the Indo-Pacific region.  DFAT also supports Australia’s re-election campaign to the International Maritime Organization (IMO) Council every two years.  Using DFAT funding, this year AMSA contributed AU$200,000 to the IMO’s Integrated Technical Cooperation Committee to support development of Small Island Developing States and Least Developed Countries, seafarer welfare and women in maritime initiatives. A further AU$50,000 was also donated to the World Maritime University (WMU) Annual Fund to support the work of the organisation. |

|  |
| --- |
| **Great Barrier Reef Marine Park Authority (GBRMPA)** |
| **Programs**   * Program 1.1 – Great Barrier Reef Marine Park Authority |
| **Contribution to Outcome 1 made by linked program**  GBRMPA is the regulator responsible for the management of the Great Barrier Reef Marine Park. AMSA supports the ongoing management of the Great Barrier Reef (GBR) through providing services to enable safer shipping within the reef, such as: aids to navigation, GBR Vessel Traffic Services, emergency response arrangements to minimise maritime pollution incidents (including delivery of a dedicated emergency towage vessel) and regulation of shipping for safety and environmental performance.  GBRMPA supports AMSA emergency response functions through provision of resources and subject matter expertise. |
| **Department of Home Affairs** |
| **Outcomes** (a)   * Outcome 2: Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs * Outcome 3: Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum |
| **Contribution to Outcome 1 made by Outcomes**  Home Affairs is responsible for immigration and border policy, and has responsibilities across emergency management, critical infrastructure protection, and transport security. The Home Affairs portfolio structure enhances AMSA’s ability to mobilise and share across AMSA’s aids to navigation responsibilities for maritime safety (critical infrastructure) and operational responses (emergency management and transport security). Home Affairs provides the national coordination mechanisms through which AMSA can respond, delivering a synchronised effect across the whole of government.  AMSA supports Home Affairs through the provision of data such as vessel locations (automatic identification system) and occasional use of AMSA response assets under a Memorandum of Understanding. Through leading Australia’s engagement at the International Maritime Organisation, AMSA also supports Home Affair’s maritime security role. |

|  |
| --- |
| **National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)** |
| **Programs**   * Program 1 – Regulatory oversight of Safety Cases, Well Operations Management Plans and Environment Plans coupled with effective monitoring, investigation and enforcement. |
| **Contribution to Outcome 1 made by linked program**  NOPSEMA are responsible for promoting and enforcing the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight.  AMSA manages the National Plan for Maritime Environmental Emergencies. Arrangements within the National Plan and AMSA response resources support the response to offshore petroleum oil spill incidents. NOPSEMA regulates the duty holder’s compliance with implementing their oil pollution emergency plan (OPEP). |

1. AMSA and Home Affairs agreed that the relationship was best described at an Outcome level.

##### **Budgeted expenses for Outcome 1**

The following tables shows how much AMSA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Seafarer and ship safety, maritime environment protection, and search and rescue** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 87,804 | 92,893 | 83,724 | 85,242 | 86,297 |
| Payment from related entities | 3,478 | - | - | - | - |
| Special appropriations |  |  |  |  |  |
| *Australian Maritime Safety Authority Act 1990* | 134,216 | 136,059 | 154,055 | 157,161 | 160,325 |
| Expenses not requiring appropriation in the Budget year (a) | (14,939) | (397) | (420) | (1,008) | (6,944) |
| Revenues from other independent sources | 21,470 | 13,271 | 12,676 | 12,828 | 13,106 |
| **Total expenses for Program 1.1** | **232,029** | **241,826** | **250,035** | **254,223** | **252,784** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 87,804 | 92,893 | 83,724 | 85,242 | 86,297 |
| Payment from related entities | 3,478 | - | - | - | - |
| Special appropriations | 134,216 | 136,059 | 154,055 | 157,161 | 160,325 |
| Expenses not requiring appropriation in the Budget year (a) | (14,939) | (397) | (420) | (1,008) | (6,944) |
| Revenues from other independent sources | 21,470 | 13,271 | 12,676 | 12,828 | 13,106 |
| **Total expenses for Outcome 1** | **232,029** | **241,826** | **250,035** | **254,223** | **252,784** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 425 | 448 |

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

1. Expenses not requiring appropriation in the Budget year are made up of the operating result.

**Table 2.1.2: Program components of Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Sub-program 1.1.1: Seafarer and ship safety and environment** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (*Appropriation Bill No. 1*) | 16,523 | 18,567 | 4,941 | 4,811 | 4,578 |
| Payment from related entities | 3,433 | - | - | - | - |
| Special appropriations |  |  |  |  |  |
| *Special appropriation Australian Maritime Safety Authority Act 1990* | 134,216 | 136,059 | 154,055 | 157,161 | 160,325 |
| Expenses not requiring appropriation in the Budget year (a) | (14,939 | (397) | (420) | (1,008) | (6,944) |
| Revenues from other independent sources | 21,322 | 13,123 | 12,421 | 12,524 | 12,715 |
| **Total sub-program 1.1.1 expenses** | **160,555** | **167,352** | **170,997** | **173,488** | **170,674** |
| **Sub-program 1.1.2: Search and rescue** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 71,281 | 74,326 | 78,783 | 80,431 | 81,719 |
| Payment from related entities | 45 | - | - | - | - |
| Revenues from other independent sources | 148 | 148 | 255 | 304 | 391 |
| **Total sub-program 1.1.2 expenses** | **71,474** | **74,474** | **79,038** | **80,735** | **82,110** |
| **Total program expenses** | **232,029** | **241,826** | **250,035** | **254,223** | **252,784** |

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

1. Expenses not requiring appropriation in the Budget year are made up of the operating result.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.

Table 2.1.3: Performance measures for Outcome 1

Table 2.1.3 details the performance measures for each program and sub-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 2022-23 Budget measures that have materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination | | |
| **Program 1.1 – Seafarer and ship safety, environment protection and search and rescue.**  Sub-program 1.1.1 – Seafarer and ship safety and environment protection aims to minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services.  Sub-program 1.1.2 – Search and rescue aims to maximise the number of people saved from maritime and aviation incidents through coordinating search and rescue.  As Australia’s national maritime regulatory body, AMSA promotes the safety and protection of our marine environment and combats ship-sourced pollution. AMSA provides the infrastructure for safety of navigation in Australian waters and maintains a national search and rescue service for the maritime and aviation sectors.  Vision: Safe and clean seas, saving lives.  Mission: Ensuring safe vessel operations, combatting marine pollution, and rescuing people in distress. | | |
| **Key Activities** (a)(b)(c)(d) | * Promote maritime safety * Protect the marine environment from pollution from ships; and other environmental damage caused by shipping * Provide for a national search and rescue service | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Safety of foreign-flagged ships and Australian-flagged ships (under the Navigation Act 2021) operating in Australian waters is demonstrated through the proportion of very serious and serious incidents (e) to total port arrivals | Target: ≤0.5%  Actual: 0.84%  Target not met |
| Timeliness of response to significant (f) oil spill incidents. | Target: within 4 hours of notification  Target met |
| Save as many lives as possible from those at risk (g) | Target: 100% (h)  Actual: 90.27%  Target not met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 | Safety of foreign-flagged ships and Australian-flagged ships (under the Navigation Act 2021) operating in Australian waters is demonstrated through the proportion of very serious and serious incidents to total port arrivals | Target: ≤1.5% (i) |
| Timeliness of response to significant oil spill incidents. | Target: within 4 hours of notification |
| Save as many lives as possible from those at risk | Target: 100% |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

1. AMSA’s key activities constitute its operational core business to deliver its sub-programs, program, and Outcome 1. Key activities are also detailed in AMSA’s corporate plan, specifically the plan-on-a-page. Unless there have been changes to legislation, machinery of government or programs, key activities are generally not subject to change.
2. AMSA’s 2021-22 Corporate Plan also lists key activities (including projects) organised under nine strategic objectives. These activities are subject to some change between years as AMSA responds to changes in its operating environment.
3. To avoid confusion with key activities as defined by Resource Management Guide (RMG) Reporting performance Information in Portfolio Budget Statements, the AMSA 2022-23 Corporate Plan will use the term ‘initiative’ to describe activities and projects in support of AMSA’s strategic priorities (see next).
4. To avoid confusion with the new AMSA Strategy 2030 (which uses the term strategic objective), the AMSA 2022-23 Corporate Plan will use the following eight strategic priorities: 1. Risk-based regulation; 2. Incident management capabilities; 3. Navigation services; 4. Responding to climate change; 5. Engagement; 6. Innovation; 7. Information management and digital services; 8. Organisational capability and resilience.
5. Marine incidents are classified by AMSA into one of three severity levels: (1) very serious; (2) serious; and (3) less serious. Several factors are considered by AMSA to decide whether an incident is deemed very serious and/or serious; including fatalities, serious injuries, loss of vessel, damage to vessel and equipment; significant pollution, and impacts on the community. Less serious incidents might include fire, grounding, and minor collisions (without very serious or serious consequences).
6. A significant oil spill is a Level 2 (or higher) incident in accordance with the National Plan for Maritime Environmental Emergencies (https://www.amsa.gov.au/marine-environment/national-plan-maritime-environmental-emergencies/national-plan-maritime)
7. Each search and rescue incident reported to AMSA is triaged to assess the requirement to respond to a life at risk. Sometimes the assessment concludes that the life has already been lost, or AMSA is unable to determine if a life is actually at risk, i.e. false beacon activations. For those incidents which are assessed as requiring a response (i.e. a life is identified as being ‘at risk’) it is important that AMSA measures the performance of resources available to affect a rescue.
8. AMSA’s intention is to save all lives at risk. In practicality, the circumstances surrounding individual incidents—i.e. severe medical conditions requiring specialist treatment, bad weather—affect the possibility of success of a search and rescue response. This reality is reflected in the previous results reported by AMSA for this measure, ranging between 95-99 per cent annually.
9. More accurate reporting and coding of severity of incident data since 2017 has identified that this performance measure tracks above the current <0.5% target. The four-year rolling average shows a similar trend with the 2020-21 result tracking at 0.98%. Additionally, there has been a significant increase (45%) in reporting between 2015-16 and 2020-21. To ensure that the target is effective and realistically reflects current trends and improvement in data reporting and noting the result of this performance measure in the last three years, the target will be changed to <1.5% from 2022-23 onwards.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AMSA’s finances for the 2022-23 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

**Comprehensive income statement**

AMSA delivered an operating surplus of $14.9 million in 2021-22. This increase, from a budgeted break-even position, is largely driven by a rise in anticipated levy revenue.

AMSA is budgeting an operating surplus of $0.4 million in 2022-23, with surpluses in each of the forward year estimates. The budgeted surpluses are highly dependent on stability of levy revenue and potential disruptions influenced by externalities outside AMSA’s control, as well as being subject to outcome of the Independent Review on Australia’s Domestic Commercial Vessel Safety Legislation and Cost and Charging Arrangements expected to be delivered in late 2022. Risks to levy revenue include the impact of international events on global trade and demand for Australian commodity exports especially iron ore and coal.

**Revenue**

Total revenue for 2022-23 is budgeted to be $242.2 million, a decrease of $2.8 million compared to 2021-22 of $245.1 million.

This decrease reflects a reduction in other own-sourced revenue ($7.5 million), and lower transitional contributions from states and territories for National System in line with the agreed arrangements ($2.2 million), partially offset by rise in appropriations for both search and rescue and National System transitional funding ($5.1 million), and the continuation of growth in levy revenue ($1.8 million).

AMSA revenue sources are detailed below:

* Levy revenue is collected from the commercial shipping industry paid to Consolidated Revenue Fund and appropriated under section 48 of the AMSA Act as special appropriations. In 2022-23, levy revenue is budgeted to be $136.1 million (2021-22: $134.9 million).
* Community Service Obligation funding received from the Australian Government for search and rescue coordination services in accordance with Australia’s internationally recognised search and rescue region. AMSA will receive an annual Departmental appropriation of $74.3 million in 2022-23 (2021-22: $71.3 million).
* Transitional and interim funding received from the Australian Government to support regulatory service delivery of the National System of $18.6 million in 2022-23 (2021-22: $16.2 million).
* Transitional funding packages received from the States and Northern Territory for the National System of $3.0 million in 2022-23 (2021-22: $5.2 million).
* Independent and own-sourced revenue, including charges for cost-recovery fee-based activities, interest revenue, related entity revenue, and other revenue of $10.2 million in 2022-23 (2021-22: $17.8 million).

The following table shows the 2022-23 budgeted revenue with comparisons to 2021-22.

**AMSA sourced revenue comparison**

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 |
| Annual departmental appropriations |  |  |
| Search and rescue functions and activities | 71,281 | 74,326 |
| National System funding | 16,196 | 18,567 |
| Other funding | 327 | - |
| Special appropriations of levies collected from the maritime shipping industry | 134,216 | 136,059 |
| Total independent or own-sources revenue | 23,045 | 13,271 |
| **Total revenue** | **245,065** | **242,223** |

**Operating expenses**

Total operating expenses are budgeted to be $241.8 million in 2022-23, compared to 2021-22 of $232.0 million, an increase of $9.8 million. The main movements in budgeted operating expenses are:

* supplier expenses are budgeted to increase by $7.5 million in 2022-23 to $128.9 million, associated with increased labour and material costs, and
* employee benefits expected to increase by $3.3 million in 2022-23 to $75.3 million, reflecting AMSA’s Enterprise Agreement.

**Equity and cash position**

Net assets (equity) movements are consistent with budgeted surpluses for budget and each of the three forward year estimates.

AMSA’s net cash position (including investments) is budgeted to decrease by $12.5 million in 2022-23 and by a further $21.5 million in 2023-24 before stabilising. This reduction is mostly due to capital expenditure on aids to navigation sites and equipment, and other assets planned for 2022-23 and 2023-24.

The cash position includes $50 million set aside for pollution response emergencies.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  | |  |  |  |  |
| Employee benefits | 71,966 | | 75,311 | 76,158 | 77,552 | 76,588 |
| Suppliers | 121,406 | | 128,886 | 134,922 | 138,070 | 138,851 |
| Depreciation and amortisation | 35,236 | | 36,517 | 37,934 | 37,790 | 36,659 |
| Finance costs | 1,565 | | 1,112 | 1,021 | 811 | 686 |
| Write-down and impairment of assets | 46 | | - | - | - | - |
| Losses from asset sales | 1,810 | | - | - | - | - |
| **Total expenses** | **232,029** | | **241,826** | **250,035** | **254,223** | **252,784** |
| **LESS:** |  | |  |  |  |  |
| **OWN-SOURCE INCOME** |  | |  |  |  |  |
| **Own-source revenue** |  | |  |  |  |  |
| Sale of goods and rendering of services | 12,838 | | 9,423 | 9,990 | 9,990 | 9,990 |
| Fees and fines | | 91 | 78 | 100 | 100 | 100 |
| Interest | 508 | | 483 | 812 | 964 | 1,242 |
| Rental income | 225 | | 253 | 290 | 290 | 290 |
| Contributions from states and territories | 5,204 | | 3,034 | 1,484 | 1,484 | 1,484 |
| Other | 4,179 | | - | - | - | - |
| **Total own-source revenue** | **23,045** | | **13,271** | **12,676** | **12,828** | **13,106** |
| **Gains** |  | |  |  |  |  |
| Sale of assets | 285 | | - | - | - | - |
| Other | 1,618 | | - | - | - | - |
| **Total gains** | **1,903** | | **-** | **-** | **-** | **-** |
| **Total own-source income** | **24,948** | | **13,271** | **12,676** | **12,828** | **13,106** |
| **Net (cost of)/contribution by services** | **(207,081)** | | **(228,555)** | **(237,359)** | **(241,395)** | **(239,678)** |
| Revenue from Government | 222,020 | | 228,952 | 237,779 | 242,403 | 246,622 |
| **Surplus/(deficit) attributable to the Australian Government** | **14,939** | | **397** | **420** | **1,008** | **6,944** |
| **OTHER COMPREHENSIVE INCOME** |  | |  |  |  |  |
| Changes in asset revaluation reserve | 12,335 | | - | - | - | - |
| **Total other comprehensive income** | **12,335** | | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **27,274** | | **397** | **420** | **1,008** | **6,944** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **27,274** | | **397** | **420** | **1,008** | **6,944** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 33,200 | 30,639 | 29,136 | 30,497 | 27,211 |
| Trade and other receivables | 10,079 | 11,040 | 12,259 | 12,325 | 12,171 |
| Other investments | 110,000 | 100,000 | 80,000 | 85,000 | 85,000 |
| ***Total financial assets*** | ***153,279*** | ***141,679*** | ***121,395*** | ***127,882*** | ***124,382*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 38,004 | 32,482 | 56,923 | 48,508 | 42,437 |
| Property, plant and equipment | 189,004 | 186,452 | 219,009 | 204,589 | 188,579 |
| Intangibles | 7,882 | 6,055 | 3,416 | 2,027 | 14,081 |
| Inventories | 4,457 | 4,457 | 4,457 | 4,457 | 4,457 |
| Other non-financial assets | 1,409 | 1,032 | 1,356 | 1,163 | 1,519 |
| ***Total non-financial assets*** | ***240,756*** | ***230,478*** | ***285,161*** | ***260,744*** | ***251,073*** |
| **Total assets** | **394,035** | **372,157** | **406,556** | **388,566** | **375,455** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 21,755 | 18,996 | 20,031 | 21,382 | 22,007 |
| Other payables | 1,435 | 1,252 | 1,309 | 1,316 | 1,311 |
| ***Total payables*** | ***23,190*** | ***20,248*** | ***21,340*** | ***22,698*** | ***23,318*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 94,420 | 76,387 | 109,783 | 89,319 | 69,201 |
| ***Total interest bearing liabilities*** | ***94,420*** | ***76,387*** | ***109,783*** | ***89,319*** | ***69,201*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 24,765 | 26,010 | 26,662 | 27,443 | 27,386 |
| Other provisions | 29,320 | 26,775 | 25,614 | 24,941 | 24,441 |
| ***Total provisions*** | ***54,085*** | ***52,785*** | ***52,276*** | ***52,384*** | ***51,827*** |
| **Total liabilities** | **171,695** | **149,420** | **183,399** | **164,401** | **144,346** |
| **Net assets** | **222,340** | **222,737** | **223,157** | **224,165** | **231,109** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 37,986 | 37,986 | 37,986 | 37,986 | 37,986 |
| Reserves | 106,112 | 106,112 | 106,112 | 106,112 | 106,112 |
| Retained surplus (accumulated deficit) | 78,242 | 78,639 | 79,059 | 80,067 | 87,011 |
| ***Total parent entity interest*** | ***222,340*** | ***222,737*** | ***223,157*** | ***224,165*** | ***231,109*** |
| **Total equity** | **222,340** | **222,737** | **223,157** | **224,165** | **231,109** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 78,242 | 106,112 | 37,986 | 222,340 |
| ***Adjusted opening balance*** | ***78,242*** | ***106,112*** | ***37,986*** | ***222,340*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | 397 | - | - | 397 |
| ***Total comprehensive income*** | ***397*** | ***-*** | ***-*** | ***397*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | 397 | - | - | 397 |
| **Estimated closing balance as at 30 June 2023** | **78,639** | **106,112** | **37,986** | **222,737** |
| **Closing balance attributable to the Australian Government** | **78,639** | **106,112** | **37,986** | **222,737** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 87,804 | 92,893 | 83,724 | 85,242 | 86,297 |
| Receipts from Government | 135,641 | 134,642 | 153,147 | 157,322 | 160,533 |
| Sale of goods and rendering of services | 12,281 | 9,611 | 10,329 | 10,210 | 10,322 |
| Interest | 476 | 468 | 752 | 908 | 1,192 |
| Net GST received | 14,419 | 116 | (196) | (116) | (19) |
| Other | 21,107 | 3,351 | 1,535 | 1,559 | 1,557 |
| ***Total cash received*** | ***271,728*** | ***241,081*** | ***249,291*** | ***255,165*** | ***259,882*** |
| **Cash used** |  |  |  |  |  |
| Employees | 70,982 | 74,066 | 75,506 | 76,771 | 76,645 |
| Suppliers | 120,434 | 131,268 | 134,211 | 136,526 | 138,582 |
| Net GST paid | 14,294 | - | - | - | - |
| Interest payments on lease liability | 1,252 | 1,012 | 921 | 711 | 586 |
| Other | 3,888 | 2,062 | 1,259 | 766 | 605 |
| ***Total cash used*** | ***210,850*** | ***208,408*** | ***211,897*** | ***214,774*** | ***216,418*** |
| **Net cash from/(used by) operating activities** | **60,878** | **32,673** | **37,394** | **40,391** | **43,464** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, plant and equipment | 691 | - | - | - | - |
| Investments | - | 10,000 | 20,000 | - | - |
| Other | 1,302 | - | - | - | - |
| ***Total cash received*** | ***1,993*** | ***10,000*** | ***20,000*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 12,223 | 23,247 | 37,056 | 13,376 | 26,442 |
| Investments | 25,000 | - | - | 5,000 | - |
| Other | - | 585 | - | - | - |
| ***Total cash used*** | ***37,223*** | ***23,832*** | ***37,056*** | ***18,376*** | ***26,442*** |
| **Net cash from/(used by) investing activities** | **(35,230)** | **(13,832)** | **(17,056)** | **(18,376)** | **(26,442)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 20,623 | 21,402 | 21,841 | 20,654 | 20,308 |
| ***Total cash used*** | ***20,623*** | ***21,402*** | ***21,841*** | ***20,654*** | ***20,308*** |
| **Net cash from/(used by) financing activities** | **(20,623)** | **(21,402)** | **(21,841)** | **(20,654)** | **(20,308)** |
| **Net increase/(decrease) in cash held** | **5,025** | **(2,561)** | **(1,503)** | **1,361** | **(3,286)** |
| Cash and cash equivalents at the beginning of the reporting period | 28,175 | 33,200 | 30,639 | 29,136 | 30,497 |
| **Cash and cash equivalents at the end of the reporting period** | **33,200** | **30,639** | **29,136** | **30,497** | **27,211** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from Departmental resources (a) | 12,223 | 23,247 | 37,056 | 13,376 | 26,442 |
| **TOTAL** | **12,223** | **23,247** | **37,056** | **13,376** | **26,442** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 16,316 | 26,616 | 92,383 | 13,566 | 26,632 |
| less: ROU additions | (4,093) | (3,369) | (55,327) | (190) | (190) |
| **Total cash used to acquire assets** | **12,223** | **23,247** | **37,056** | **13,376** | **26,442** |

Prepared on Australian Accounting Standards basis.

1. Includes funding from prior year appropriations, entity receipts, and proceeds from the sale of assets.

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 2,595 | 11,280 | 119,390 | 19,762 | 153,027 |
| Gross book value - ROU assets | 2,635 | 41,743 | 85,136 | - | 129,514 |
| Accumulated depreciation/ amortisation and impairment | - | - | - | (11,880) | (11,880) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (241) | (20,008) | (15,522) | - | (35,771) |
| **Opening net book balance** | **4,989** | **33,015** | **189,004** | **7,882** | **234,890** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | - | 21,241 | 2,006 | 23,247 |
| By purchase - appropriation ordinary annual services - ROU assets | - | 3,179 | 190 | - | 3,369 |
| **Total additions** | **-** | **3,179** | **21,431** | **2,006** | **26,616** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (124) | (11,421) | (3,833) | (15,378) |
| Depreciation/amortisation on ROU assets | (121) | (8,456) | (12,562) | - | (21,139) |
| Disposals |  |  |  |  |  |
| Gross book value - ROU assets | - | (1,701) | (163) | - | (1,864) |
| Accumulated depreciation/amortisation and impairment | - | 1,701 | 163 | - | 1,864 |
| **Total other movements** | **(121)** | **(8,580)** | **(23,983)** | **(3,833)** | **(36,517)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 2,595 | 11,280 | 140,631 | 21,768 | 176,274 |
| Gross book value - ROU assets | 2,635 | 43,221 | 85,163 | - | 131,019 |
| Accumulated depreciation/ amortisation and impairment | - | (124) | (11,421) | (15,713) | (27,258) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (362) | (26,763) | (27,921) | - | (55,046) |
| **Closing net book balance** | **4,868** | **27,614** | **186,452** | **6,055** | **224,989** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, Departmental capital budget or other operational expenses.

Australian National Maritime Museum

Entity resources and planned performance

Australian National Maritime Museum

[Section 1: Entity overview and resources 223](#_Toc98533410)

[1.1 Strategic direction statement 223](#_Toc98533411)

[1.2 Entity resource statement 224](#_Toc98533412)

[1.3 Budget measures 224](#_Toc98533413)

[Section 2: Outcomes and planned performance 225](#_Toc98533414)

[2.1 Budgeted expenses and performance for Outcome 1 226](#_Toc98533415)

[Section 3: Budgeted financial statements 230](#_Toc98533416)

[3.1 Budgeted financial statements 230](#_Toc98533417)

[3.2 Budgeted financial statements tables 231](#_Toc98533418)

# Australian National Maritime Museum

Section 1: Entity overview and resources

1.1 Strategic direction statement

The mission of the Australian National Maritime Museum (ANMM) is to lead the promotion and conservation of Australia’s maritime heritage and culture by developing and managing the National Maritime Collection and delivering exhibitions, education and outreach programs.

As Australia’s museum of the sea, our focus is Australian maritime history and the marine environment, including industry and trade, defence, leisure and recreation, Indigenous maritime and migration.

In 2022-23, the ANMM’s work will be guided by the museum’s Corporate Plan, which sets out ANMM’s priorities and strategies to preserve, promote and share Australia’s maritime heritage over the next four years. ANMM’s Corporate Plan priorities include a focus on delivering immersive and compelling programs and initiatives, strengthening our national presence, harnessing the potential of digital media, sustaining and growing financial support and increasing organisational capabilities.

During 2022-23, the ANMM will continue its operational and financial recovery from the ongoing impacts of COVID 19. It will undertake a series of activities and programs to achieve its purpose, including:

* delivering exhibitions and public programs on-site and off-site
* developing, preserving and showcasing collections to expand its knowledge of, and expertise in, maritime heritage and sharing it with the Australian public and the world
* providing leadership and cultivating collaboration within national and international museum sectors as they recover from the effects of COVID-19
* contributing to Australian economic and cultural activity as restrictions ease and tourism resumes
* supporting recovery in regional, remote and outer metropolitan areas through collection touring, exhibitions, and outreach activities
* promoting inclusion, diversity and social cohesion by providing greater opportunities for all Australians to access arts and culture, including through digital channels
* continuing to collaborate with Indigenous communities to foster appreciation and understanding of Indigenous arts, culture and knowledge systems
* engaging in activities to enrich arts and cultural education at all levels
* maintaining and strengthening the financial sustainability of the Museum by increasing own-source revenue, philanthropy and private-sector support.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the ANMM 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 the ANMM’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: ANMM resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **30,062** | **32,331** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 24,125 | 24,017 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 1,695 | 1,717 |
| Total annual appropriations | 25,820 | 25,734 |
| **Total funds from Government** | **25,820** | **25,734** |
| **Funds from other sources** |  |  |
| Interest | 27 | 97 |
| Sale of goods and services | 3,790 | 4,180 |
| Other | 6,846 | 5,688 |
| **Total funds from other sources** | **10,663** | **9,964** |
| **Total net resourcing for ANMM** | **66,545** | **68,029** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 125 | 125 |

Prepared on Australian Accounting Standards 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, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

The ANMM 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 (a non-corporate Commonwealth entity), which are then paid to the ANMM and considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no Budget measures relating to the ANMM for the 2022-23 October 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 ANMM can be found at: https://www.sea.museum/about/corporate-information/planning-and-reporting/corporate-plans.  The most recent annual performance statement can be found at: https://www.sea.museum/about/corporate-information/planning-and-reporting/annual-reports. |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Increased knowledge, appreciation and enjoyment of Australia’s maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events |

**Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Management of maritime heritage** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 24,125 | 24,017 | 20,912 | 21,020 | 21,084 |
| Payment from related entities |  |  |  |  |  |
| Expenses not requiring appropriation in the Budget year (a) | 385 | 3,000 | 3,000 | 3,000 | 3,000 |
| Revenues from other independent sources | 10,663 | 9,964 | 13,091 | 16,510 | 17,265 |
| **Total expenses for Program 1.1** | **35,173** | **36,982** | **37,003** | **40,530** | **41,349** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 24,125 | 24,017 | 20,912 | 21,020 | 21,084 |
| Expenses not requiring appropriation in the Budget year (a) | 385 | 3,000 | 3,000 | 3,000 | 3,000 |
| Revenues from other independent sources | 10,663 | 9,964 | 13,091 | 16,510 | 17,265 |
| **Total expenses for Outcome 1** | **35,173** | **36,982** | **37,003** | **40,530** | **41,349** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 125 | 125 |

1. Expenses not requiring appropriation in the Budget year reflects depreciation of heritage and cultural assets.

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1** – Increased knowledge, appreciation and enjoyment of Australia’s maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events | | |
| --- | --- | --- |
| **Program 1.1 Management of maritime heritage**  The ANMM’s program 1.1 includes a variety of educational and engagement programs, exhibitions and events focusing on Australia’s maritime heritage. | | |
| **Key Activities** | Key activities reported in the current corporate plan that relate to this program:   * Be renowned for compelling museum experiences * Strengthen our national presence * Harness the potential of digital * Sustain and grow financial support * Be a capable, high performing and respected organisation | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021‑22 | Engage, educate and inspire – continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. | Target: Total visitor engagements 3,945,000   * 1,384,280 visits to the museum * 1,821,036 number of visits to the museum’s website * 613,908 people engaging with social media * 125,776 students participating in school programs   Actual: Total visitor engagements 2,624,198   * 1,239,671 visits to the museum. * 925,535 number of visits to the museum’s website * 167,615 people engaging with social media * 291,377 students participating in school programs   Target not met with the exception of students participating in school programs where the target was met  Target: 296 educational institutions participating in organised school learning programs  Actual: 162  Target not met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021‑22 cont. | Engage, educate and inspire – continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways, cont. | Target: 35,616 people participating in public programs  Actual: 61,820  Target met  Target: 90% of visitors who were satisfied or very satisfied with their visit  Actual: 93%  Target met  Target: 90% of teachers reporting overall positive experience  Actual:100%  Target met  Target:95% of teachers reporting relevance to the classroom curriculum  Actual: 94%  Target not met |
| Collect, share and digitise – continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | Target: 80 objects acquired  Actual: 157  Target met  Target: 1,000 objects accessioned  Actual: 4,994  Target met  Target: 70% of the total collection available to the public  Actual: 72%  Target met  Target: 63% of the total collection digitised  Actual: 65%  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Engage, educate and inspire – continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. | Total visitor engagements: 3,382,446   * 1,186,260 visits to the museum * 1,553,090 number of visits to the museum’s website * 516,828 people engaging with social media * 126,268 students participating in school programs   296 educational institutions participating in organised school learning programs  48,602 people participating in public programs  90% of visitors who were satisfied or very satisfied with their visit  90% of teachers reporting overall positive experience  95% of teachers reporting relevance to the classroom curriculum |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 cont. | Collect, share and digitise – continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | 80 objects acquired (in the reporting period)  1,000 objects accessioned (in the reporting period)  70% of the total collection available to the public  63% of the total collection digitised |
| Forward Estimates 2023‑26 | Engage, educate and inspire – continue to increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. | Total visitor engagements: 4,229,197   * 1,639,917 visits to the museum * 1,875,667 number of visits to the museum’s website * 532,333 people engaging with social media * 181,280 students participating in school programs   304 educational institutions participating in organised school learning programs  50,060 people participating in public  90% of visitors who were satisfied or very satisfied with their visit  90% of teachers reporting overall positive experience  95% of teachers reporting relevance to the classroom curriculum |
| Collect, share and digitise – continue to build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | 80 objects acquired (in the reporting period).  1,000 objects accessioned (in the reporting period)  70% of the total collection available to the public  64% of the total collection digitised |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ANMM finances for the 2022-23 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**

The budgeted financial statements include the anticipated financial impacts associated with COVID‑19, in particular a significant reduction in the ANMM’s own‑source revenue generating capacity from long‑term trends. This has associated expenditure reductions, which will reduce ANMM’s capacity to deliver its program. The financial impacts of COVID‑19 are forecast to continue, while progressively reducing, across the forward estimates period.

The Comprehensive Income Statement shows a break‑even position across the budget and forward estimates period, excluding heritage and cultural asset depreciation expenses that are not funded through revenue appropriations.

The Balance Sheet shows a net equity position of between $291.2 million and $286.3 million across the budget and forward estimates period, representing the surplus of net assets over net liabilities. This mainly represents the ANMM’s non‑financial assets, including land and buildings, and heritage and cultural objects.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 13,782 | 13,094 | 13,301 | 14,484 | 14,797 |
| Suppliers | 10,521 | 13,765 | 13,356 | 15,200 | 15,706 |
| Grants | 131 | 131 | 131 | 131 | 131 |
| Depreciation and amortisation | 10,739 | 9,992 | 10,215 | 10,715 | 10,715 |
| **Total expenses** | **35,173** | **36,982** | **37,003** | **40,530** | **41,349** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 3,790 | 4,180 | 5,923 | 7,902 | 8,292 |
| Interest | 27 | 97 | 99 | 102 | 106 |
| Other | 6,846 | 5,688 | 7,069 | 8,506 | 8,867 |
| **Total own-source revenue** | **10,663** | **9,964** | **13,091** | **16,510** | **17,265** |
| **Total own-source income** | **10,663** | **9,964** | **13,091** | **16,510** | **17,265** |
| **Net (cost of)/contribution by services** | **(24,510)** | **(27,017)** | **(23,912)** | **(24,020)** | **(24,084)** |
| Revenue from Government | 24,125 | 24,017 | 20,912 | 21,020 | 21,084 |
| **Surplus/(deficit) attributable to the Australian Government** | **(385)** | **(3,000)** | **(3,000)** | **(3,000)** | **(3,000)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **(385)** | **(3,000)** | **(3,000)** | **(3,000)** | **(3,000)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(385)** | **(3,000)** | **(3,000)** | **(3,000)** | **(3,000)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(385)** | **(3,000)** | **(3,000)** | **(3,000)** | **(3,000)** |
| plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a) | 3,037 | 3,000 | 3,000 | 3,000 | 3,000 |
| less: lease principle repayments | (56) | - | - | - | - |
| **Net cash operating surplus/ (deficit)** | **2,596** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the collection development acquisition budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental capital budget statement.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 32,331 | 23,663 | 22,091 | 23,320 | 21,015 |
| Trade and other receivables | 1,415 | 1,415 | 1,415 | 1,415 | 1,415 |
| Other financial assets | 387 | 387 | 387 | 387 | 387 |
| ***Total financial assets*** | ***34,133*** | ***25,465*** | ***23,893*** | ***25,122*** | ***22,817*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 166,901 | 170,829 | 169,174 | 167,519 | 165,864 |
| Property, plant and equipment | 8,853 | 11,844 | 13,645 | 12,979 | 15,867 |
| Heritage and Cultural | 83,599 | 83,789 | 83,479 | 83,169 | 82,859 |
| Intangibles | 4,656 | 4,931 | 5,206 | 5,481 | 5,759 |
| Inventories | 226 | 226 | 226 | 226 | 226 |
| ***Total non-financial assets*** | ***264,235*** | ***271,619*** | ***271,730*** | ***269,374*** | ***270,572*** |
| **Total assets** | **298,368** | **297,084** | **295,623** | **294,496** | **293,389** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 2,339 | 2,339 | 2,339 | 2,339 | 2,339 |
| Other payables | 2,046 | 2,046 | 2,046 | 2,046 | 2,046 |
| ***Total payables*** | ***4,385*** | ***4,385*** | ***4,385*** | ***4,385*** | ***4,385*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,670 | 2,670 | 2,670 | 2,670 | 2,670 |
| Other provisions | 78 | 78 | 78 | 78 | 78 |
| ***Total provisions*** | ***2,748*** | ***2,748*** | ***2,748*** | ***2,748*** | ***2,748*** |
| **Total liabilities** | **7,133** | **7,133** | **7,133** | **7,133** | **7,133** |
| **Net assets** | **291,235** | **289,951** | **288,490** | **287,363** | **286,256** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 37,980 | 39,697 | 41,419 | 43,219 | 45,036 |
| Reserves | 201,193 | 201,193 | 201,193 | 201,193 | 201,193 |
| Retained surplus (accumulated deficit) | 52,062 | 49,061 | 45,878 | 42,951 | 40,027 |
| ***Total parent entity interest*** | ***291,235*** | ***289,951*** | ***288,490*** | ***287,363*** | ***286,256*** |
| **Attributed to non-controlling interest** |  |  |  |  |  |
| **Total equity** | **291,235** | **289,951** | **288,490** | **287,363** | **286,256** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 52,062 | 201,193 | 37,980 | 291,235 |
| ***Adjusted opening balance*** | ***52,062*** | ***201,193*** | ***37,980*** | ***291,235*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (3,000) | - | - | (3,000) |
| ***Total comprehensive income*** | ***(3,000)*** | ***-*** | ***-*** | ***(3,000)*** |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 1,717 | 1,717 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***1,717*** | ***1,717*** |
| **Estimated closing balance as at 30 June 2023** | **49,062** | **201,193** | **39,697** | **289,951** |
| **Closing balance attributable to the Australian Government** | **49,062** | **201,193** | **39,697** | **289,951** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 24,125 | 24,603 | 21,797 | 22,239 | 22,364 |
| Sale of goods and rendering of services | 5,512 | 6,579 | 8,682 | 11,144 | 11,648 |
| Interest | 38 | 97 | 99 | 102 | 106 |
| Net GST received | 50 | 2,112 | - | - | - |
| Other | 3,611 | 1,183 | 1,573 | 2,154 | 2,268 |
| ***Total cash received*** | ***33,336*** | ***34,574*** | ***32,151*** | ***35,639*** | ***36,386*** |
| **Cash used** |  |  |  |  |  |
| Employees | 13,308 | 13,094 | 13,301 | 14,484 | 14,797 |
| Suppliers | 9,209 | 12,568 | 11,828 | 13,631 | 14,064 |
| Net GST paid | 220 | 2,112 | - | - | - |
| Other | 141 | 141 | 141 | 141 | 141 |
| ***Total cash used*** | ***22,878*** | ***29,700*** | ***25,270*** | ***28,256*** | ***29,002*** |
| **Net cash from/(used by) operating activities** | **10,458** | **6,659** | **6,881** | **7,383** | **7,384** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 9.828 | 16,876 | 10,076 | 7,859 | 11,413 |
| ***Total cash used*** | ***9,828*** | ***16,876*** | ***10,076*** | ***7,859*** | ***11,413*** |
| **Net cash from/(used by) investing activities** | **(9,828)** | **(16,876)** | **(10,076)** | **(7,859)** | **(11,413)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 1,695 | 1,717 | 1,791 | 1,873 | 1,892 |
| ***Total cash received*** | ***1,695*** | ***1,717*** | ***1,791*** | ***1,873*** | ***1,892*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 56 | 168 | 168 | 168 | 168 |
| ***Total cash used*** | ***56*** | ***168*** | ***168*** | ***168*** | ***168*** |
| **Net cash from/(used by) financing activities** | **1,639** | **1,549** | **1,623** | **1,705** | **1,724** |
| **Net increase/(decrease) in cash held** | **2,269** | **(8,668)** | **(1,572)** | **1,129** | **(2,305)** |
| Cash and cash equivalents at the beginning of the reporting period | 30,062 | 32,331 | 23,663 | 22,091 | 23,320 |
| **Cash and cash equivalents at the end of the reporting period** | **32,331** | **23,663** | **22,091** | **23,320** | **21,015** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 1,695 | 1,717 | 1,791 | 1,873 | 1,892 |
| **Total new capital appropriations** | **1,695** | **1,717** | **1,791** | **1,873** | **1,892** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *1,695* | *1,717* | *1,791* | *1,873* | *1,892* |
| ***Total items*** | ***1,695*** | ***1,717*** | ***1,791*** | ***1,873*** | ***1,892*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 1,695 | 1,717 | 1,791 | 1,873 | 1,892 |
| Funded internally from Departmental resources (b) | 8,133 | 15,159 | 8,285 | 5,986 | 9,521 |
| **TOTAL** | **9,828** | **16,876** | **10,076** | **7,859** | **11,413** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 9,828 | 16,876 | 10,076 | 7,859 | 11,413 |
| **Total cash used to acquire assets** | **9,828** | **16,876** | **10,076** | **7,859** | **11,413** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes sources of funding from both current Bill 1 and prior year Act 1 appropriations, current and previous years’ Departmental Capital Budgets (DCBs) and internally developed assets.

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 | |
| **As at 1 July 2022** |  |  |  |  |  |  | |
| Gross book value | - | - | 11,964 | 78,193 | 6,081 | 96,238 | |
| Gross book value - ROU assets | 52,380 | 104,953 | - | - | - | 157,333 | |
| Accumulated depreciation/ amortisation and impairment | - | - | (2,081) | (3,037) | (1,425) | (6,543) | |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (4,196) | - | - | - | (4,196) | |
| Revaluation | 13,280 | 484 | (1,030) | 8,443 | - | 21,177 | |
| **Opening net book balance** | **65,660** | **101,241** | **8,853** | **83,599** | **4,656** | **264,009** | |
| **Capital asset additions** |  |  |  |  |  |  | |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  | |
| By purchase - appropriation equity (a) | - | - | - | 1,717 | - | 1,717 | |
| By purchase - appropriation ordinary annual services (b) | - | - | 5,515 | 973 | 1,400 | 7,888 | |
| By purchase - appropriation ordinary annual services - ROU assets | - | 7,271 | - | - | - | 7,271 | |
| Assets received as gifts/ donations | - | - | - | 500 | - | 500 | |
| **Total additions** | **-** | **7,271** | **5,515** | **3,190** | **1,400** | **17,376** | |
| **Other movements** |  |  |  |  |  |  | |
| Depreciation/amortisation expense | - | - | (2,524) | (3,000) | (1,125) | (6,649) | |
| Depreciation/amortisation on ROU assets | - | (3,344) | - | - | - | (3,344) | |
| **Total other movements** | **-** | **(3,344)** | **(2,524)** | **(3,000)** | **(1,125)** | **(9,993)** | |
| **As at 30 June 2023** |  |  |  |  |  |  | |
| Gross book value | - | - | 16,449 | 89,826 | 7,481 | 113,756 | |
| Gross book value - ROU assets | 65,660 | 112,708 | - | - | - | 178,368 | |
| Accumulated depreciation/ amortisation and impairment | - | - | (4,605) | (6,037) | (2,550) | (13,192) | |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (7,540) | - | - | - | (7,540) | |
| **Closing net book balance** | **65,660** | **105,168** | **11,844** | **83,789** | **4,931** | **271,393** | |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDABs.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, or other operational expenses.

Australian Transport Safety Bureau

Entity resources and planned performance

Australian Transport Safety Bureau

[Section 1: Entity overview and resources 241](#_Toc116486064)

[1.1 Strategic direction statement 241](#_Toc116486065)

[1.2 Entity resource statement 243](#_Toc116486066)

[1.3 Budget measures 243](#_Toc116486067)

[Section 2: Outcomes and planned performance 244](#_Toc116486068)

[2.1 Budgeted expenses and performance for Outcome 1 245](#_Toc116486069)

[Section 3: Budgeted financial statements 248](#_Toc116486070)

[3.1 Budgeted financial statements 248](#_Toc116486071)

[3.2 Budgeted financial statements tables 250](#_Toc116486072)

# Australian Transport Safety Bureau

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Transport Safety Bureau (ATSB) is an independent statutory agency of the Australian Government conducting safety investigations in the aviation, rail and interstate and overseas shipping modes of transport. It is governed by a Commission and is entirely separate from transport regulators, policy makers and service providers.

The ATSB’s purpose is defined by its mission statement:

* Improve transport safety for the greatest public benefit through our independent investigations and influencing safety action.

In reference to the public benefit:

* The ATSB focusses on the public interest where the safety of passengers and workers on an aircraft, train or ship is concerned. The ATSB focusses on the public interest when it comes to the significant costs that can result from an accident, particularly where there is significant damage to public infrastructure or an impact on the national economy.

The *Transport Safety Investigation Act 2003* (TSI Act) makes it clear that, in carrying out its purpose, the ATSB cannot apportion blame, assist in determining liability or, as a general rule, assist in court proceedings.

Through independent investigations, the ATSB seeks to identify safety issues for action by organisations with responsibility for managing risk. The ATSB’s approach to identifying safety issues encompasses targeting safety improvements for the greatest public benefit. The safety issues the ATSB identifies are characteristic of an organisation or a system rather than a characteristic of a specific individual. The ATSB directs its resources to investigations that have the broadest safety effect on transport systems.

The ATSB does not have powers to force operators, manufacturers and regulators to take action. The ATSB relies on its ability to influence. An influencer uses their authority, knowledge, position and relationship to shape the decisions of others. The ATSB builds relationships with others to support safety action. The ATSB has stakeholders willing to be advocates for safety messaging. Where the ATSB is concerned that not enough is being done in response to safety issues being raised, the ATSB will work to campaign for action that prevents accidents.

The ATSB does not have the resources to investigate every accident and incident that occurs in the aviation, rail and marine sectors each year. In order to provide assurance that the ATSB’s finite resources are being used for the greatest safety benefit, the ATSB will continue to work with government and industry stakeholders to clarify the priorities for its existing jurisdiction and the potential for its expansion. For rail investigations, the ATSB relies on the resources provided by the states and territories through agreements.

The ATSB maintains a national information set of all safety-related occurrences in aviation and of all accidents and significant safety occurrences in rail and the interstate and overseas marine sectors. The information it holds is essential to its capacity to analyse broad safety trends and inform its investigation and safety education work, as well as constituting an important public information resource. The ATSB is enhancing its capacity for a data driven approach to the performance of its investigation, research, communication and education functions.

The ATSB is committed to close engagement with its international counterpart agencies and relevant multilateral organisations. The ATSB places a specific emphasis on engagement with countries in the Asia–Pacific region, particularly with Indonesia and Papua New Guinea.

The ATSB invests in studying and contributing to the methodologies and techniques used by accident investigation authorities in transport and non-transport modes across the world. The ATSB does this by employing academic discipline, supported by our partnership with the Royal Melbourne Institute of Technology (RMIT) University. The ATSB’s partnership with RMIT to deliver transport safety investigation qualifications commits the ATSB to investing in the training and skill development of people in a position to support improvements to transport safety.

Detailed information about the ATSB's purpose, operating context, activities and performance measures is published in the ATSB Corporate Plan available at: Corporate Plan 2022-23 (atsb.gov.au)

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the ATSB 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 the ATSB’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: ATSB resource statement - Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | 8,955 | 8,175 |
| Departmental appropriation (c) | 20,863 | 21,047 |
| s74 External Revenue (d) | 978 | 1,456 |
| Departmental capital budget (e) | 578 | 582 |
| Total departmental annual appropriations | 31,374 | 31,260 |
| **Total departmental resourcing** | **31,374** | **31,260** |
| **Total resourcing for ATSB** | **31,374** | **31,260** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 101 | 105 |

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Excludes amounts subject to administrative quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).
3. Excludes departmental capital budget (DCB).
4. Estimated External Revenue receipts under section 74 of the PGPA Act.
5. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

1.3 Budget measures

There are no measures relating to the ATSB for the 2022-23 October 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 measure 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 the ATSB can be found at: [Corporate Plan 2022‑23 (atsb.gov.au)](https://www.atsb.gov.au/publications/2022/corporate-plan-2022-23/)  The most recent annual performance statement can be found at: https://www.atsb.gov.au/publications/publications-list/?publicationType=Annual%20Report |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| **Outcome 1: Improved transport safety in Australia including through: independent ‘no blame’ investigation of transport accidents and other safety occurrences; safety data recording, analysis and research; and influencing safety action** |

**Budgeted expenses for Outcome 1**

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | | 2023-24 Forward estimate $'000 | | | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 | | |
| **Program 1.1: Australian Transport Safety Bureau** | | | | | | | | | | |
| Departmental expenses | |  |  | |  | | |  |  | | |
| Departmental appropriation | | 20,863 | 21,047 | | 21,858 | | | 22,315 | 22,503 | | |
| s74 External Revenue (a) | | 978 | 1,456 | | 1,469 | | | 1,469 | 1,469 | | |
| Expenses not requiring appropriation in the Budget year (b) | | 3,882 | 3,756 | | 4,587 | | | 4,530 | 4,454 | | |
| **Departmental total** | | 25,723 | 26,259 | | 27,914 | | | 28,314 | 28,426 | | |
| **Total expenses for program 1.1** | | **25,723** | **26,259** | | **27,914** | | | **28,314** | **28,426** | | |
| **Outcome 1 Totals by appropriation type** | | | | | | | | | | | | |
| Departmental expenses |  | | |  | |  |  | | |  | | |
| Departmental appropriation | 20,863 | | | 21,047 | | 21,858 | 22,315 | | | 22,503 | | |
| s74 External Revenue (a) | 978 | | | 1,456 | | 1,469 | 1,469 | | | 1,469 | | |
| Expenses not requiring appropriation in the Budget year (b) | 3,882 | | | 3,756 | | 4,587 | 4,530 | | | 4,454 | | |
| **Departmental total** | 25,723 | | | 26,259 | | 27,914 | 28,314 | | | 28,426 | | |
| **Total expenses for Outcome 1** | **25,723** | | | **26,259** | | **27,914** | **28,314** | | | **28,426** | | |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 101 | 105 |

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and the value of services ATSB will receive free of charge from the Victorian Chief Investigator, the NSW Office of Transport Safety Investigations and the Australian National Audit Office.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Outcome 1** – Improved transport safety in Australia including through: independent ‘no blame’ investigation of transport accidents and other safety occurrences; safety data recording, analysis and research; and influencing safety action | | | | |
| **Program 1.1- Improved transport safety for the greatest public benefit**  The ATSB will work actively with the aviation, rail and marine industries; transport regulators and governments at a state, national and international level to improve transport safety standards for all Australians. Investigations and related activities seek to influence safety action for the public benefit. | | | | |
| **Key Activities** | Independent investigation of transport accidents and other safety incidents  Safety data recording, analysis and research  Influencing safety action | | | |
| **Year** | **Performance measures** | | **Expected Performance Results** | |
| Prior year  2021-22 | KPI 1 - Number of safety issues that are addressed through safety action.  Target: 65% of safety issues addressed in the last financial year  Target: 85% of safety issues addressed in the previous financial year | | Actual: 76% of safety issues addressed in the last financial year  Target met  Actual: 74% of safety issues addressed in the previous financial year  Target not met | |
| KPI 2 - Number of Systemic, Defined, and Safety Study investigations completed by ATSB that identify safety issues.  Target: 65% of investigations identify a safety issue | | Actual: 54% of investigations identify a safety issue  Target not met | |
| KPI 3 - Percentage of all investigations that identify at least one safety issue not already identified by others. | | 53% of systemic and defined investigations completed in 2021–22 identified safety issues not identified by others.  Baseline to be established | |
| KPI 4 - On an average annual basis, the ATSB will be conducting around twice the number of investigations as it has available investigators.  Projecting 90 active investigations. | | Actual: Completed 88 investigations  Target not met | |
| KPI 5 - Median time to complete investigations   * Short investigations - 8 months * Defined investigations - 16 months * Systemic investigations - 22 months | | Actual: Short investigations – 8.2 months  Target not met  Actual: Defined investigations – 19.8 months  Target not met  Actual: Systemic investigations – 38.3 months  Target not met | |
| **Year** | | **Performance measures** | | **Expected Performance Results** |
| Prior year 2021-22 cont. | | KPI6 –Number of changes to the ATSB’s published investigation findings over the previous financial year. | | Actual: Zero  Target met. |
| **Year** | | **Performance measures** | | **Planned Performance Results** |
| Budget year 2022-23 | | KPI 1 - Number of safety issues that are addressed through safety action. | | 65% of safety issues address in the last financial year  85% of safety issues addressed in the previous financial year |
| KPI 2 - Number of Systemic, Defined, and Safety Study investigations completed by ATSB that identify safety issues. | | 65% of investigations identify a safety issue. |
| KPI 3 - Percentage of all investigations that identify at least one safety issue not already identified by others. | | Project 50% of systemic and defined investigations completed in 2022–23 identified safety issues not identified by others. |
| KPI 4 - On an average annual basis, the ATSB will be conducting around twice the number of investigations as it has available investigators. | | Projections to be revised annually based on known full time equivalent investigators |
| KPI 5 - Median time to complete investigations   * Short investigations - 7 months * Defined investigations - 14 months * Systemic investigations - 20 months | | Tracking towards 7 months  Tracking towards 14 months  Tracking towards 20 months |
| KPI 6 - Number of changes to the ATSB’s published investigation findings over the previous financial year. | | Zero |
| Forward Estimates  2023-26 | | As per 2022-23 | | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ATSB finances for the 2022-23 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

**Budgeted departmental comprehensive income statement**

The ATSB is planning for a break-even operating result, adjusted for depreciation and amortisation expense, in 2022-23 and the forward years.

**Revenue**

Net appropriation revenue of $21.0 million will be provided to the ATSB in 2022-23.

The comprehensive income statement also includes estimates of the ATSB’s own source revenue of $4.3 million which includes:

* estimates of cost recoveries from Queensland, Western Australia, South Australia and Tasmania for safety investigations ATSB undertook on their intrastate rail networks ($1.0 million)
* revenue from the Department of Foreign Affairs and Trade for the ATSB’s participation in Australian Government transport safety initiatives, including capability building activities as part of the Indonesia Transport Safety Assistance Package ($0.4 million) and cooperation with Papua New Guinea ($0.1 million)
* estimates of the value of the services the ATSB will receive free of charge from the Victorian Chief Investigator, Transport Safety, the NSW Office of Transport Safety Investigations and the Australian National Audit Office ($2.8 million).

**Expenses**

Budgeted operating expenditure in 2022-23 is $26.3 million, comprised of employee expenses (62 per cent), supplier expenses (28 per cent) and depreciation and finance costs (10 per cent).

**Budgeted departmental balance sheet**

The ATSB's budgeted balance sheet at 30 June 2023 reflects the expected balances for its assets and liabilities as well as retained earnings and contributed equity, based on the operating result for 2021-22 and the Budget year.

The ATSB’s major non-financial assets are buildings ($7.7 million) in relation to their leased office accommodation, intangibles ($2.4 million) and other property plant and equipment ($2.5 million). The ATSB’s primary liabilities are in relation to their office accommodation lease liabilities ($8.0 million) and accrued employee leave entitlements ($5.2 million).

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 15,963 | 16,334 | 17,127 | 17,829 | 18,562 |
| Suppliers | 7,342 | 7,428 | 8,379 | 8,286 | 7,563 |
| Depreciation and amortisation (a) | 2,334 | 2,445 | 2,372 | 2,177 | 2,294 |
| Finance costs | 84 | 52 | 36 | 22 | 7 |
| **Total expenses** | **25,723** | **26,259** | **27,914** | **28,314** | **28,426** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 978 | 1,456 | 1,469 | 1,469 | 1,469 |
| Other | 3,220 | 2,829 | 3,732 | 3,732 | 3,732 |
| **Total own-source revenue** | **4,198** | **4,285** | **5,201** | **5,201** | **5,201** |
| **Net (cost of)/contribution by  services** | **(21,525)** | **(21,974)** | **(22,713)** | **(23,113)** | **(23,225)** |
| Revenue from Government | 20,863 | 21,047 | 21,858 | 22,315 | 22,503 |
| **Surplus/(deficit) attributable to the Australian Government** | **(662)** | **(927)** | **(855)** | **(798)** | **(722)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(662)** | **(927)** | **(855)** | **(798)** | **(722)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(662)** | **(927)** | **(855)** | **(798)** | **(722)** |
| plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a) | 1,008 | 941 | 934 | 900 | 900 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 1,326 | 1,504 | 1,438 | 1,277 | 1,394 |
| less: lease principal repayments (b) | (1,167) | (1,518) | (1,517) | (1,379) | (1,572) |
| **Net cash operating surplus/ (deficit)** | **505** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 348 | 348 | 348 | 348 | 348 |
| Trade and other receivables | 9,057 | 9,057 | 9,057 | 9,057 | 9,057 |
| Other financial assets | 12 | 12 | 12 | 12 | 12 |
| **Total financial assets** | **9,417** | **9,417** | **9,417** | **9,417** | **9,417** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 8,898 | 7,729 | 6,726 | 5,895 | 5,112 |
| Property, plant and equipment | 2,713 | 2,513 | 2,362 | 2,240 | 2,122 |
| Heritage and Cultural | 16 | 16 | 16 | 16 | 16 |
| Intangibles | 2,555 | 2,396 | 2,218 | 2,058 | 1,900 |
| Other non-financial assets | 575 | 575 | 575 | 575 | 575 |
| ***Total non-financial assets*** | **14,757** | **13,229** | **11,897** | **10,784** | **9,725** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **24,174** | **22,646** | **21,314** | **20,201** | **19,142** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 335 | 335 | 335 | 335 | 335 |
| Other payables | 57 | 57 | 57 | 57 | 57 |
| **Total payables** | **392** | **392** | **392** | **392** | **392** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 9,171 | 7,988 | 6,906 | 5,973 | 5,012 |
| **Total interest bearing liabilities** | **9,171** | **7,988** | **6,906** | **5,973** | **5,012** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 5,167 | 5,167 | 5,167 | 5,167 | 5,167 |
| **Total provisions** | **5,167** | **5,167** | **5,167** | **5,167** | **5,167** |
| **Total liabilities** | **14,730** | **13,547** | **12,465** | **11,532** | **10,571** |
| **Net assets** | **9,444** | **9,099** | **8,849** | **8,669** | **8,571** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 5,517 | 6,099 | 6,704 | 7,322 | 7,946 |
| Reserves | 514 | 514 | 514 | 514 | 514 |
| Retained surplus (accumulated deficit) | 3,413 | 2,486 | 1,631 | 833 | 111 |
| **Total equity** | **9,444** | **9,099** | **8,849** | **8,669** | **8,571** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 3,413 | 514 | 5,517 | 9,444 |
| ***Adjusted opening balance*** | ***3,413*** | ***514*** | ***5,517*** | ***9,444*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (927) | - | - | (927) |
| ***Total comprehensive income*** | ***(927)*** | ***-*** | ***-*** | ***(927)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (927) | - | - | (927) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental capital budget (DCB) | - | - | 582 | 582 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***582*** | ***582*** |
| **Estimated closing balance as at 30 June 2023** | **2,486** | **514** | **6,099** | **9,099** |
| **Closing balance attributable to the Australian Government** | **2,486** | **514** | **6,099** | **9,099** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 20,429 | 21,047 | 21,858 | 22,315 | 22,503 |
| Sale of goods and rendering of services | 1,108 | 1,456 | 1,469 | 1,469 | 1,469 |
| Net GST received | 513 | - | - | - | - |
| Other | 177 | - | - | - | - |
| ***Total cash received*** | ***22,227*** | ***22,503*** | ***23,327*** | ***23,784*** | ***23,972*** |
| **Cash used** |  |  |  |  |  |
| Employees | 15,951 | 16,334 | 17,127 | 17,829 | 18,562 |
| Suppliers | 4,954 | 4,599 | 4,647 | 4,554 | 3,831 |
| Interest payments on lease liability | 84 | 52 | 36 | 22 | 7 |
| ***Total cash used*** | ***20,989*** | ***20,985*** | ***21,810*** | ***22,405*** | ***22,400*** |
| **Net cash from/(used by) operating activities** | **1,238** | **1,518** | **1,517** | **1,379** | **1,572** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 1,115 | 582 | 605 | 618 | 624 |
| ***Total cash used*** | ***1,115*** | ***582*** | ***605*** | ***618*** | ***624*** |
| **Net cash from/(used by) investing activities** | **(1,115)** | **(582)** | **(605)** | **(618)** | **(624)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 1,056 | 582 | 605 | 618 | 624 |
| ***Total cash received*** | ***1,056*** | ***582*** | ***605*** | ***618*** | ***624*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 1,167 | 1,518 | 1,517 | 1,379 | 1,572 |
| ***Total cash used*** | ***1,167*** | ***1,518*** | ***1,517*** | ***1,379*** | ***1,572*** |
| **Net cash from/(used by) financing activities** | **(111)** | **(936)** | **(912)** | **(761)** | **(948)** |
| **Net increase/(decrease) in cash held** | **12** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 336 | 348 | 348 | 348 | 348 |
| **Cash and cash equivalents at the end of the reporting period** | **348** | **348** | **348** | **348** | **348** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 578 | 582 | 605 | 618 | 624 |
| **Total new capital appropriations** | **578** | **582** | **605** | **618** | **624** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *578* | *582* | *605* | *618* | *624* |
| ***Total items*** | ***578*** | ***582*** | ***605*** | ***618*** | ***624*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation – DCB (a) | 578 | 582 | 605 | 618 | 624 |
| **TOTAL** | **578** | **582** | **605** | **618** | **624** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 578 | 582 | 605 | 618 | 624 |
| **Total cash used to acquire assets** | **578** | **582** | **605** | **618** | **624** |

Prepared on Australian Accounting Standards basis.

1. Does not include annual finance lease costs. Include purchases from current and previous years' departmental capital budgets (DCBs). Does not include annual finance lease costs. Include purchases from current and previous years' departmental capital budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value |  | 3,308 | 16 | 4,329 | 7,653 |
| Gross book value - ROU assets | 10,405 | 114 | - | - | 10,519 |
| Accumulated depreciation/ amortisation and impairment | - | (680) | - | (1,774) | (2,454) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (1,507) | (29) | - | - | (1,536) |
| **Opening net book balance** | **8,898** | **2,713** | **16** | **2,555** | **14,182** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 221 | - | 361 | 582 |
| By purchase - appropriation ordinary annual services - ROU assets | 335 |  |  |  | 335 |
| **Total additions** | **335** | **221** | **-** | **361** | **917** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (409) | - | (520) | (929) |
| Depreciation/amortisation on ROU assets | (1,504) | (12) | - | - | (1,516) |
| **Total other movements** | **(1,504)** | **(421)** | **-** | **(520)** | **(2,445)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | - | 3,529 | 16 | 4,690 | 8,235 |
| Gross book value - ROU assets | 10,740 | 114 | - | - | 10,854 |
| Accumulated depreciation/ amortisation and impairment | - | (1,089) | - | (2,294) | (3,383) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (3,011) | (41) | - | - | (3,052) |
| **Closing net book balance** | **7,729** | **2,513** | **16** | **2,396** | **12,654** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, departmental capital budget or other operational expenses.

Civil Aviation Safety Authority

Entity resources and planned performance

Civil Aviation Safety Authority

[Section 1: Entity overview and resources 261](#_Toc115882555)

[1.1 Strategic direction statement 261](#_Toc115882556)

[1.2 Entity resource statement 264](#_Toc115882557)

[1.3 Budget measures 264](#_Toc115882558)

[Section 2: Outcomes and planned performance 265](#_Toc115882559)

[2.1 Budgeted expenses and performance for Outcome 1 266](#_Toc115882560)

[Section 3: Budgeted financial statements 270](#_Toc115882561)

[3.1 Budgeted financial statements 270](#_Toc115882562)

[3.2 Budgeted financial statements tables 272](#_Toc115882563)

# Civil Aviation Safety Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Civil Aviation Safety Authority (CASA) is an independent statutory authority established in 1995 under the *Civil Aviation Act 1988*. The main object of this Act is to establish a regulatory framework for maintaining, enhancing and promoting the safety of civil aviation, with particular emphasis on preventing aviation accidents and incidents.

In accordance with the *Civil Aviation Act 1988* and the regulations, CASA has the function of conducting the safety regulation of:

* civil air operations in Australian territory
* the operation of Australian aircraft outside Australian territory.

While safety regulation of civil aviation remains its primary role, CASA also performs other safety-related and associated functions. CASA has responsibility for airspace regulation.

**Australian government priorities and CASA’s commitment to aviation safety**

The Australian Government is committed to maintaining and enhancing safety as its number one priority in aviation. As Australia’s aviation safety regulator, CASA will support the Australian Government to maintain, enhance and promote the safety of civil aviation through the application of a detailed risk-based approach with particular emphasis to deliver the goals as set out in Table 2.1.2: Performance measure for Outcome 1.

CASA will ensure the directions of the Australian Government, as presented in the Minister’s Statement of Expectations, are implemented effectively and efficiently. CASA’s Corporate Plan fully details the activities and initiatives to be undertaken by the organisation to meet the expectations.

The Australian Government has set out some clear objectives relevant to CASA including:

* to continue to focus on aviation safety as the highest priority
* to consider the economic and cost impact on individuals, businesses and the community in the development and finalisation of new or amended regulatory changes
* to take a pragmatic, practical and proportionate approach to regulation as it applies to different industry sectors having regard to risk
* to implement its regulatory philosophy, with the philosophy being reflected in relevant policies, procedures, manuals, and when CASA personnel are carrying out their day-to-day operations.

CASA’s comprehensive planning framework fully incorporates the Australian Government direction and ensures the relevant requirements are implemented effectively and efficiently. CASA aims to achieve its commitment to aviation safety through its three key goals. They are:

* to maintain and enhance a fair, effective and efficient aviation safety regulation system
* to engage collaboratively with the wider aviation community to promote and support a positive safety culture
* to continuously improve organisational performance.

Each goal is supported through a number of key performance areas (KPA) and indicators (KPI). The progress and achievement against the KPIs are monitored by a comprehensive performance management and reporting process. CASA will continue its commitment to making further improvements to the way it operates and continuously strive to achieve its high-level goals.

**Challenging aviation trends and implications for CASA**

The aviation landscape has changed dramatically with COVID-19. One immediate impact for CASA is that its major funding source, aviation fuel excise, has been significantly reduced since the 2021-22 Budget. CASA’s immediate funding is highly dependent on the recovery of the industry, particularly in the domestic high-capacity regular public transport sector.

Whilst CASA continues to support industry as it manages its way through the impacts of COVID-19, Government provided funding certainty for 2021-22 to CASA through additional appropriation funding of $20 million.

The need to adapt to accommodate the changing aviation safety environment, as the industry continues to deal with and recovers from the impact of the COVID‑19 pandemic, provides CASA with some unique challenges. Examples of these challenges include the return from hibernation of aircraft and skills and currency deficits of aviation professionals.

The passenger transport sector will undergo significant change, along with the growth and complexity of Remotely Piloted Aircraft Systems (RPAS), also known as drones. Issues of concern are also related to ageing aircraft, the oversight of infrastructure developments at aerodromes over the coming decade, slow growth prospects and forecast changes in air traffic management systems. Like other safety regulators around the world, CASA is cognisant of the need to ensure that safety-related considerations are at the forefront of CASA’s regulatory actions for the benefit of the aviation and wider community.

As a key priority, CASA continues to develop and implement new safety standards and regulations, considering the Australian Government’s regulatory reform agenda. CASA will stay abreast of changes within the aviation industry by carefully analysing safety and operational data to look for trends and emerging risks which need to be addressed. This approach will further focus CASA on its core activity – the regulation of aviation safety.

**CASA’s funding strategy**

CASA receives funding from three major sources: a 3.556 cents per litre excise on aviation fuel consumed by all domestic aircraft (all of which is provided to CASA); a Government annual appropriation; and regulatory services fees and levies. Whilst CASA conducts surveillance and regulatory oversight of RPAS, aerodromes and international carriers, these do not contribute to the fuel excise funding model.

Government has decided that the current funding arrangements, supplemented through Government appropriation for 2022-23 and forward years due to the impacts of COVID-19, should predominantly remain in place.

CASA’s funding requirements and arrangements will need to be monitored as the aviation industry transitions during the recovery phase from the pandemic.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to CASA 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 CASA’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

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: Civil Aviation Safety Authority resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **65,877** | **82,473** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 122,082 | 92,445 |
| Total annual appropriations | 122,082 | 92,445 |
| Special appropriations |  |  |
| *Aviation Fuel Revenues (Special Appropriation) Act 1988* | 83,752 | 87,279 |
| *RPAS levy (Special Appropriation) Act 2020* | 891 | 1,832 |
| Total special appropriations | 84,643 | 89,111 |
| **Total funds from Government** | **206,725** | **181,556** |
| **Funds from industry sources** |  |  |
| Regulatory service fees | 10,322 | 8,239 |
| **Total funds from industry sources** | **10,322** | **8,239** |
| **Funds from other sources** |  |  |
| Interest | 149 | 489 |
| Other | 735 | 790 |
| **Total funds from other sources** | **884** | **1,279** |
| **Total net resourcing for Civil Aviation Safety Authority** | **283,808** | **273,547** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 805 | 832 |

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.

1. Appropriation Bill (No.1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

CASA 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 CASA and are considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures relating to CASA for the 2022-23 October 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 the Civil Aviation Safety Authority (CASA) can be found at:  https://www.casa.gov.au/search-centre/corporate-plans/corporate-plan-2022-23  The most recent annual performance statement can be found at:  https://www.casa.gov.au/resources-and-education/publications-and-resources/corporate-publications |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training |

**Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Civil Aviation Safety Authority** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 122,084 | 92,445 | 73,950 | 41,794 | 42,080 |
| Special appropriations |  |  |  |  |  |
| *Special appropriation Aviation Fuel Revenues (Special Appropriation) Act 1988* | 84,423 | 88,300 | 90,300 | 94,200 | 94,200 |
| *Special appropriation RPAS levy (Special Appropriation) Act 2020* | 891 | 1,832 | 26,370 | 28,490 | 28,490 |
| Revenues from industry sources |  |  |  |  |  |
| Regulatory fees | 10,322 | 8,239 | 7,500 | 7,500 | 7,500 |
| Other income | 807 | 1,000 | 1,000 | 1,000 | 1,000 |
| Revenues from other independent  sources | 231 | 560 | 690 | 990 | 1,230 |
| Expenses not requiring appropriation in the Budget year (a) | (17,110) | 18,121 | 22,057 | 54,607 | 54,409 |
| **Total expenses for Program 1.1** | **201,648** | **210,497** | **221,867** | **228,581** | **228,909** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 122,084 | 92,445 | 73,950 | 41,794 | 42,080 |
| Special appropriations | 85,314 | 90,132 | 116,670 | 122,690 | 122,690 |
| Revenues from industry sources | 11,129 | 9,239 | 8,500 | 8,500 | 8,500 |
| Revenues from other independent sources | 231 | 560 | 690 | 990 | 1,230 |
| Expenses not requiring  appropriation in the Budget year (a) | (17,110) | 18,121 | 22,057 | 54,607 | 54,409 |
| **Total expenses for Outcome 1** | **201,648** | **210,497** | **221,867** | **228,581** | **228,909** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 805 | 832 |

1. Expenses not requiring appropriation in the Budget year are made up of the operating result and timing of accruals.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training | | |
| **Program 1.1 – Civil Aviation Safety Authority**  The following three objectives represent the regulatory services produced by the program in delivering its outcome.  **1. Maintain and enhance a fair, effective and efficient aviation safety regulation system**  CASA will focus its efforts on maintaining, enhancing and promoting aviation safety, as set out in the *Civil Aviation Act 1988* and in accordance with all Government directions. CASA’s work will centre on monitoring compliance, continuing the Regulatory Implementation Program, continuing to review the Australian administered airspace and continuing effective enforcement to secure compliance with safety standards.  **2. Collaborative engagement with the aviation industry and wider community to promote and support aviation safety**  CASA maintains a constructive working relationship with other Australian Government agencies and promotes effective collaboration through consultation and communication with the wider aviation community. CASA engages in a clear, open and transparent manner with the aviation industry through its consultative forums, feedback channels, educational efforts and promotional campaigns, to continuously improve the regulatory framework and be a partner in supporting and promoting a positive aviation safety culture.  **3. Continuous improvement of organisational performance**  CASA closely monitors its organisational performance and seeks to continually improve its operational activities, regulatory services and other support functions. CASA is adopting a comprehensive quality management approach to drive continuous improvement across all facets of the organisation. | | |
| Key Activities | CASA is Australia’s aviation safety regulator and is a corporate Commonwealth entity under the *PGPA Act 2013* and was established on 6 July 1995 under the *Civil Aviation Act 1988* (the Act). The main objective of the Act is to establish a regulatory framework to maintain, enhance and promote civil aviation safety, with an emphasis on preventing aviation accidents and incidents.  In exercising its powers and performing its functions, CASA is required to regard the safety of air navigation as the most important consideration.  CASA’s key role is to conduct the safety regulation of civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. CASA is also responsible for ensuring that Australian-administered airspace is administered and used safely, efficiently and equitably.  CASA performs all its functions consistent with Australia’s obligations under the Convention on International Civil Aviation (the Chicago Convention) and other international agreements. | |
| Key Activities cont. | CASA, the Australian Transport Safety Bureau, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, Airservices Australia and the Department of Defence provide Australia’s aviation safety framework, each with separate and distinct functions, but working together as an integrated system.  In keeping with CASA’s fundamental obligations as an independent statutory authority, it actively endeavours to ensure that its decision-making and other actions are lawful, fair, reasonable and consistent, and in all cases contribute to optimal safety outcomes, while not unnecessarily impeding the efficient operation of entities that CASA regulates. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Number of accidents per hours flown by industry sector | Actual: Reducing trend (a)  Target met |
| Number of incidents per hours flown by industry sector | Actual: Reducing trend (a)  Target not met |
| CASA maintains the Effective Implementation (EI) Score determined by International Civil Aviation Organization (ICAO) Universal Safety Oversight Audit Program (USOAP) | Actual: Maintain or improve EI score  Target met |
| Regulatory implementation delivered in accordance with planned and reviewed targets | Actual: 80% of regulatory development achieved against planned targets  Target met |
| Surveillance determined via a National Oversight Plan consisting of scheduled and response events informed by risk | Actual: 80% of surveillance events conducted for the period  Target met |
| Deliver a program of aviation safety education seminars to industry participants | Actual: 90% of seminars delivered against program with satisfaction rate for effectiveness of 80%  Target not met |
| Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulatory framework | Actual: 100% of significant regulatory changes publicly consulted and outcomes informed by industry feedback  Target met  Actual: Improving trend in stakeholder satisfaction from regular surveys  Target met  Actual: Improving trend in audience engagement across CASA's online channels and social media  Target met |
| Regulatory service applications are decided within published service delivery timeframes | Actual: 80% processed within published timeframes  Target not met  Actual: All regulatory service activities have a service delivery timeframe applied  Target not met |

| **Year** | **Performance measures** | **Planned Performance Results** |
| --- | --- | --- |
| Budget year 2022-23 | Number of accidents per hours flown by industry sector | Reducing trend (a) |
| Number of incidents per hours flown by industry sector | Reducing trend (a) |
| CASA maintains the Effective Implementation (EI) Score determined by ICAO Universal Safety Oversight Audit Program (USOAP) | Maintain or improve EI score |
| Regulatory implementation delivered in accordance with targets | Regulatory implementation achieved against planned program outlined in the CASA Corporate Plan |
| Surveillance determined via a National Oversight Plan consisting of scheduled and response events informed by risk | Surveillance events achieved as detailed in the National Oversight Plan and CASA Corporate Plan |
| Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulatory framework | 100% of significant regulatory changes publicly consulted and outcomes informed by industry feedback  Improving trend in stakeholder satisfaction from regular surveys |
| Regulatory service applications are decided within published service delivery timeframes | Improving trend in service delivery timeframes  80% processed within published timeframes  All regulatory service activities have a service delivery timeframe applied |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

1. This key performance indicator relies on the availability of data which is not published by the Bureau of Infrastructure, Transport and Regional Economics (BITRE) until after 30 June each year.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of CASA finances for the 2022-23 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

**Budgeted Departmental income statement**

As at the 2022-23 March Budget, CASA anticipated a $5.3 million operating deficit in 2021-22 resulting from further reductions in aviation fuel excise since 2021-22 PAES due to COVID-19, which was offset by additional supplementation of $20 million. By 30 June 2022, CASA achieved an operating surplus of $17.1 million in 2021-22. This was due to lower employee expenses resulting from a reduction in CASA’s leave provisions following increasing government bond rates, and lower supplier expenses mainly in consultancies due to projects that didn’t proceed as a result of COVID-19.

CASA is anticipating an $18.1 million operating deficit in 2022-23 primarily caused by further reductions in forecast aviation fuel excise which extend into the forward estimates.

CASA is budgeting for operating deficits across the forward estimates of $22.1 million in 2023-24 increasing to $54.6 million in 2024-25 and $54.4 million in 2025-26, due to the appropriation funding provided through the Australian Airline Financial Relief package ceasing at the end of 2023-24 and forecast revenue from fuel excise remaining well below 2018-19 levels.

**Revenue and expenses**

Total revenue is estimated to decrease by $26.4 million in 2022-23 to $192.4 million. The decrease in revenue between the financial years is primarily due to reduction of appropriation of $29.6 million and reduction in regulatory fees of $2.1 million offset by an increase in aviation fuel excise from 2021-22 of $3.9 million, and an increase in RPAS levy collections for commercial drones of $0.9 million.

Total expenses are estimated to increase in 2022-23 by $8.8 million to $210.5 million. The main movements in the major expense categories are:

* employee expenses are expected to increase by $9.6 million for 2022-23 predominantly reflecting CASA’s Enterprise Agreement and reduced leave provision in 2021-22 resulting from the increasing government bond rate.
* depreciation expenses decreasing by $3.2 million, due to re-lifing of assets.
* supplier expenses are expected to increase by $2.9 million for 2022-23

**Budgeted Departmental balance sheet**

CASA’s net asset (or equity) position for 2022-23 is forecast to decrease by $18.1 million compared to 2021-22, representing the anticipated operating deficit and projected capital investment for 2022-23.

Total budgeted assets of $150.9 million in 2022-23 represents a decrease of $20.2 million from the estimated 2021-22 closing position, primarily due to a decrease in cash and investments of $21.9 million primarily due to the operating deficit in 2022-23 of $18.1 million. CASA’s financial assets are budgeted to further decrease over the forward estimates as a result of the budgeted deficits in the forward years with CASA needing to borrow in 2024-25 to meet its financial obligations without additional supplementation from Government.

Total budgeted liabilities of $80.9 million in 2022-23 represents a planned decrease of $2.1 million from the estimated 2021-22 closing position, primarily driven by a planned decrease in lease liabilities of $2.7 million offset by an increase in CASA’s employee provisions of $0.5 million as a result of an increase in leave entitlements in 2022-23. CASA’s primary liability continues to be accrued employee leave entitlements of $38.0 million and lease liabilities of $33.2 million.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 127,330 | 136,954 | 141,041 | 145,252 | 149,589 |
| Suppliers | 48,349 | 51,280 | 57,475 | 57,669 | 55,319 |
| Depreciation and amortisation | 25,203 | 22,028 | 22,893 | 24,914 | 23,331 |
| Finance costs | 284 | 235 | 458 | 746 | 670 |
| Write-down and impairment of assets | 294 | - | - | - | - |
| Losses from asset sales | 188 | - | - | - | - |
| **Total expenses** | **201,648** | **210,497** | **221,867** | **228,581** | **228,909** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 10,322 | 8,239 | 7,500 | 7,500 | 7,500 |
| Interest | 231 | 560 | 690 | 990 | 1,230 |
| Other | 561 | 1,000 | 1,000 | 1,000 | 1,000 |
| **Total own-source revenue** | **11,114** | **9,799** | **9,190** | **9,490** | **9,730** |
| **Gains** |  |  |  |  |  |
| Other | 246 | - | - | - | - |
| **Total gains** | **246** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **11,360** | **9,799** | **9,190** | **9,490** | **9,730** |
| **Net (cost of)/contribution by services** | **(190,288)** | **(200,698)** | **(212,677)** | **(219,091)** | **(219,179)** |
| Revenue from Government | 207,398 | 182,577 | 190,620 | 164,484 | 164,770 |
| **Surplus/(deficit) attributable to the Australian Government** | **17,110** | **(18,121)** | **(22,057)** | **(54,607)** | **(54,409)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **17,110** | **(18,121)** | **(22,057)** | **(54,607)** | **(54,409)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **17,110** | **(18,121)** | **(22,057)** | **(54,607)** | **(54,409)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 22,473 | 10,000 | 10,000 | 10,000 | 10,000 |
| Trade and other receivables | 2,359 | 3,393 | 3,530 | 1,334 | 1,558 |
| Other investments | 60,000 | 50,584 | 18,412 | - | - |
| Other financial assets | 264 | 335 | 376 | 472 | 549 |
| ***Total financial assets*** | ***85,096*** | ***64,312*** | ***32,318*** | ***11,806*** | ***12,107*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 34,613 | 31,643 | 69,244 | 60,242 | 51,872 |
| Property, plant and equipment | 9,841 | 9,353 | 24,861 | 24,742 | 26,203 |
| Intangibles | 39,401 | 43,386 | 38,986 | 33,792 | 28,517 |
| Other non-financial assets | 2,128 | 2,171 | 2,443 | 2,463 | 2,362 |
| ***Total non-financial assets*** | ***85,983*** | ***86,553*** | ***135,534*** | ***121,239*** | ***108,954*** |
| **Total assets** | **171,079** | **150,865** | **167,852** | **133,045** | **121,061** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 5,655 | 5,394 | 6,066 | 37,504 | 87,275 |
| Other payables | 3,862 | 4,270 | 4,326 | 870 | 1,292 |
| ***Total payables*** | ***9,517*** | ***9,664*** | ***10,392*** | ***38,374*** | ***88,567*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 35,887 | 33,175 | 70,858 | 62,025 | 53,586 |
| ***Total interest bearing liabilities*** | ***35,887*** | ***33,175*** | ***70,858*** | ***62,025*** | ***53,586*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 37,546 | 38,018 | 38,651 | 39,302 | 39,973 |
| Other provisions | 47 | 47 | 47 | 47 | 47 |
| ***Total provisions*** | ***37,593*** | ***38,065*** | ***38,698*** | ***39,349*** | ***40,020*** |
| **Total liabilities** | **82,997** | **80,904** | **119,948** | **139,748** | **182,173** |
| **Net assets** | **88,082** | **69,961** | **47,904** | **(6,703)** | **(61,112)** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 3,295 | 3,295 | 3,295 | 3,295 | 3,295 |
| Reserves | 9,485 | 9,485 | 9,485 | 9,485 | 9,485 |
| Retained surplus (accumulated deficit) | 75,302 | 57,181 | 35,124 | (19,483) | (73,892) |
| ***Total parent entity interest*** | ***88,082*** | ***69,961*** | ***47,904*** | ***(6,703)*** | ***(61,112)*** |
| **Total equity** | **88,082** | **69,961** | **47,904** | **(6,703)** | **(61,112)** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from  previous period | 75,302 | 9,485 | 3,295 | 88,082 |
| ***Adjusted opening balance*** | ***75,302*** | ***9,485*** | ***3,295*** | ***88,082*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (18,121) | - | - | (18,121) |
| ***Total comprehensive income*** | ***(18,121)*** | ***-*** | ***-*** | ***(18,121)*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (18,121) | - | - | (18,121) |
| **Estimated closing balance as at 30 June 2023** | **57,181** | **9,485** | **3,295** | **69,961** |
| **Closing balance attributable to the Australian Government** | **57,181** | **9,485** | **3,295** | **69,961** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 122,084 | 92,445 | 73,950 | 41,794 | 42,080 |
| Receipts from Government | 84,644 | 89,112 | 116,622 | 124,899 | 122,432 |
| Sale of goods and rendering of services | 10,252 | 8,849 | 8,214 | 8,243 | 8,246 |
| Interest | 149 | 489 | 649 | 894 | 1,153 |
| Net GST received | 6,666 | 6,701 | 8,141 | 3,685 | 1,659 |
| Other | 805 | 1,004 | 1,000 | 1,000 | 1,000 |
| ***Total cash received*** | ***224,600*** | ***198,600*** | ***208,576*** | ***180,515*** | ***176,570*** |
| **Cash used** |  |  |  |  |  |
| Employees | 129,372 | 135,839 | 140,306 | 148,059 | 148,496 |
| Suppliers | 54,523 | 59,149 | 66,066 | 30,690 | 7,818 |
| Interest payments on lease liability | 283 | 235 | 458 | 746 | 670 |
| ***Total cash used*** | ***184,178*** | ***195,223*** | ***206,830*** | ***179,495*** | ***156,984*** |
| **Net cash from/(used by) operating activities** | **40,422** | **3,377** | **1,746** | **1,020** | **19,586** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 15,021 | 15,418 | 24,333 | 10,599 | 11,147 |
| ***Total cash used*** | ***15,021*** | ***15,418*** | ***24,333*** | ***10,599*** | ***11,147*** |
| **Net cash from/(used by) investing activities** | **(15,021)** | **(15,418)** | **(24,333)** | **(10,599)** | **(11,147)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 8,805 | 9,848 | 9,585 | 8,833 | 8,439 |
| ***Total cash used*** | ***8,805*** | ***9,848*** | ***9,585*** | ***8,833*** | ***8,439*** |
| **Net cash from/(used by) financing activities** | **(8,805)** | **(9,848)** | **(9,585)** | **(8,833)** | **(8,439)** |
| **Net increase/(decrease) in cash held** | **16,596** | **(21,889)** | **(32,172)** | **(18,412)** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 65,877 | 82,473 | 60,584 | 28,412 | 10,000 |
| **Cash and cash equivalents at the end of the reporting period** | **82,473** | **60,584** | **28,412** | **10,000** | **10,000** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Funded internally from departmental resources | 15,021 | 15,418 | 24,333 | 10,599 | 11,147 |
| **TOTAL** | **15,021** | **15,418** | **24,333** | **10,599** | **11,147** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 15,021 | 15,418 | 24,333 | 10,599 | 11,147 |
| **Total cash used to acquire assets** | **15,021** | **15,418** | **24,333** | **10,599** | **11,147** |

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Asset Category** | | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |
| Gross book value | - | 12,935 | 88,538 | 101,473 |
| Gross book value - ROU assets | 60,073 | 873 | - | 60,946 |
| Accumulated depreciation/amortisation and impairment | - | (3,496) | (49,137) | (52,633) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (25,460) | (471) | - | (25,931) |
| **Opening net book balance** | **34,613** | **9,841** | **39,401** | **83,855** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - other | - | 2,447 | 12,971 | 15,418 |
| By purchase - other - ROU assets | 7,136 | - | - | 7,136 |
| **Total additions** | **7,136** | **2,447** | **12,971** | **22,554** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (2,937) | (8,986) | (11,923) |
| Depreciation/amortisation on ROU assets | (10,105) |  |  | (10,105) |
| Other | - | 2 | - | 2 |
| Other - ROU assets | (1) | - | - | (1) |
| **Total other movements** | **(10,106)** | **(2,935)** | **(8,986)** | **(22,027)** |
| **As at 30 June 2023** |  |  |  |  |
| Gross book value | - | 15,384 | 101,509 | 116,893 |
| Gross book value - ROU assets | 67,208 | 873 | - | 68,081 |
| Accumulated depreciation/amortisation and impairment | - | (6,433) | (58,123) | (64,556) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (35,565) | (471) | - | (36,036) |
| **Closing net book balance** | **31,643** | **9,353** | **43,386** | **84,382** |

Prepared on Australian Accounting Standards basis.

Infrastructure Australia

Entity resources and planned performance

Infrastructure Australia

[Section 1: Entity overview and resources 283](#_Toc98534094)

[1.1 Strategic direction statement 283](#_Toc98534095)

[1.2 Entity resource statement 285](#_Toc98534096)

[1.3 Budget measures 285](#_Toc98534097)

[Section 2: Outcomes and planned performance 286](#_Toc98534098)

[2.1 Budgeted expenses and performance for Outcome 1 287](#_Toc98534099)

[Section 3: Budgeted financial statements 290](#_Toc98534100)

[3.1 Budgeted financial statements 290](#_Toc98534101)

[3.2 Budgeted financial statements tables 291](#_Toc98534102)

# 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 plan to build a strong and prosperous economy. This is to be done through the provision of high quality independent advice concerning nationally significant infrastructure matters. This advice is for the Australian Government, and in turn, all levels of government, industry and stakeholders.

In accordance with the outcome in Section 2 of this document, ‘Outcomes and Planned Performance’, IA is responsible for providing independent advice for:

* improved decision-making on infrastructure matters
* better identification and assessment of key drivers of infrastructure demand and utilisation
* improved prioritisation of infrastructure projects
* the identification, implementation and promotion of best practice infrastructure planning, financing, delivery and operation.

In 2022-23, IA will play an active role in ongoing research and collaboration initiatives that promote and develop effective data and information sharing, analysis and benchmarking. In particular, IA will undertake initiatives to maintain the currency of its data to inform future Audits, plans, priority lists and project evaluations.

The key priorities for IA in 2022–23 are:

* continue to undertake evaluations on all infrastructure proposals where funding of more than $250 million is sought from the Australian Government. This includes economic and social infrastructure proposals but excludes defence proposals.
* regularly update and further develop the Infrastructure Priority List. This priority list will be informed by the other work of IA, in particular the Australian Infrastructure Audit, the Australian Infrastructure Plan and evaluation of infrastructure proposals.
* engage with stakeholders on the recommendations from the 2021 Australian Infrastructure Plan.
* develop and maintain data sources to inform future plans and priority lists.
* continue to establish and develop the corporate capabilities to support IA's role as an independent entity that provides high quality advice.
* deliver annual analytical assessments of infrastructure market capacity, as requested by the Prime Minister and other First Ministers at the Council of Australian Government (COAG) meeting of 13 March 2020. This will involve the collection, collation, interpretation and display of Australian Government, State and Territory and industry data, as well as the establishment of new data sets through primary collection.
* continue to evolve the frameworks utilised by jurisdictions in submitting proposals to IA for evaluation to promote best practice in infrastructure planning, procurement and delivery. This will include consideration of costs and benefits and the appropriate assessment of wider benefits (in addition to direct benefits) providing guidance on how these should be measured and applied, if required.
* continue to establish and maintain productive working relationships with all levels of government and industry. This includes engaging closely with Australian Government Departments, agencies and entities as well as states, territories, local governments, investors in infrastructure, owners of infrastructure and communities—as the end users of infrastructure.

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 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **6,478** | **4,430** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 12,853 | 12,733 |
| Total annual appropriations | 12,853 | 12,733 |
| **Total funds from Government** | **12,853** | **12,733** |
| **Funds from industry sources** |  |  |
| **Funds from other sources** |  |  |
| Interest | 12 | 150 |
| Sale of goods and services | 30 | - |
| **Total funds from other sources** | **42** | **105** |
| **Total net resourcing for Infrastructure Australia** | **19,373** | **17,268** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 32 | 29 |

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (no. 1) 2022-23 and Supply Act (No. 3) 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 2022-23 October 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 Infrastructure Australia can be found at: https://www.infrastructureaustralia.gov.au/about/accountability-and-reporting  The most recent annual performance statement can be found at: https://www.infrastructureaustralia.gov.au/about/accountability-and-reporting |

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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Infrastructure Australia** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 12,853 | 12,733 | 13,110 | 13,259 | 13,368 |
| Revenues from other independent sources | 42 | 105 | 100 | 100 | 100 |
| **Total expenses for Program 1.1** | **12,885** | **12,838** | **13,210** | **13,359** | **13,468** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 12,853 | 12,733 | 13,110 | 13,259 | 13,368 |
| Revenues from other independent sources | 42 | 105 | 100 | 100 | 100 |
| **Total expenses for Outcome 1** | **12,885** | **12,838** | **13,210** | **13,359** | **13,468** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 32 | 29 |

Table 2.1.2: Performance measure 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 2022-23 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 and in turn, all levels of government, industry and stakeholders. This advice will be prepared in consultation with all levels of government, industry stakeholders and the community—as the end users of infrastructure. This advice will include published project evaluations, infrastructure priority lists, published research and other initiatives. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Evaluate project proposals on all infrastructure proposals, excluding defence projects, where funding of more than $250 million is sought from the Commonwealth. | Actual: 13 project proposals assessed  Target met |
|  | Undertake research initiatives that promote best practice in the planning, funding and delivery of infrastructure. | Actual: The following research initiatives were published in 2021-22:   * The Assessment Framework * A Pathway to Infrastructure Resilience * 2021 Australian Infrastructure Plan * 2021 Infrastructure Market Capacity report. * 2022 Regional Strengths and Infrastructure Gaps * Delivering Outcomes - A roadmap to a more productive and resilient future   Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget 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. | Evaluations of project proposals completed and a summary of these evaluations published on IA's website |
|  | Undertake research initiatives that promote best practice in the planning, funding and delivery of infrastructure. | 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 |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of IA finances for the 2022-23 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 revenues are appropriations, totalling $12.7 million in 2022‑23. In 2021-22, IA received additional funding to review its Assessment Framework, which represents the small drop in appropriation revenue in 2022-23 compared to the prior year.

In addition to appropriations, IA earns a small amount of interest revenue from its cash deposits.

**Expenses**

IA is budgeting for operating expenses of $12.8 million in 2022-23. This consists of $7.2 million employee expenses, $4.3 million supplier expenses and $1.3 million in depreciation, amortisation and finance costs.

IA’s expense budget reflects the work program for IA in 2022–23. This includes the continued provision of advice on nationally significant infrastructure matters, evaluation of project proposals, the delivery of annual analytical assessments of infrastructure market capacity and development of further research regarding the identification and application of best practice planning delivery and operation of Australia's infrastructure networks. 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 2023, IA is budgeting for net assets of $3.0 million representing assets of $7.6 million and liabilities of $4.6 million.

Most significant asset balances relate to cash and a right-of-use asset associated with IA’s office lease.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 7,025 | 7,22 | 8,090 | 8,365 | 8,646 |
| Suppliers | 4,493 | 4,295 | 3,817 | 3,700 | 3,540 |
| Depreciation and amortisation | 1,269 | 1,281 | 1,281 | 1,285 | 1,273 |
| Finance costs | 44 | 33 | 22 | 9 | 9 |
| Other expenses | 4 | - | - | - | - |
| **Total expenses** | **12,835** | **12,838** | **13,210** | **13,359** | **13,468** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 8 | 15 | 15 | 15 | 15 |
| **Total own-source revenue** | **8** | **15** | **15** | **15** | **15** |
| **Total own-source income** | **8** | **15** | **15** | **15** | **15** |
| **Net (cost of)/contribution by services** | **(12,853)** | **(12,733)** | **(12,804)** | **(12,900)** | **(12,981)** |
| Revenue from Government | 12,853 | 12,733 | 12,804 | 12,900 | 12,981 |
| **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) | (1,081) | (1,135) | (1,191) | (1,142) | (1,000) |
| **Net cash operating surplus/ (deficit)** | **(177)** | **(231)** | **(287)** | **(238)** | **(96)** |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 4,430 | 4,745 | 4,763 | 4,883 | 5,108 |
| Trade and other receivables | 270 | 34 | 33 | 33 | 33 |
| ***Total financial assets*** | ***4,700*** | ***4,779*** | ***4,796*** | ***4,916*** | ***5,141*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 3,437 | 2,291 | 1,145 | - | 2,508 |
| Property, plant and equipment | 488 | 401 | 340 | 226 | 159 |
| Other non-financial assets | 141 | 141 | 141 | 141 | 141 |
| ***Total non-financial assets*** | ***4,066*** | ***2,833*** | ***1,626*** | ***367*** | ***2,808*** |
| **Total assets** | **8,766** | **7,612** | **6,422** | **5,283** | **7,949** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,253 | 1,053 | 1,053 | 1,053 | 1,053 |
| Other payables | 141 | 141 | 141 | 141 | 141 |
| ***Total payables*** | ***1,302*** | ***1,114*** | ***1,114*** | ***1,114*** | ***1,114*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 3,468 | 2,334 | 1,142 | - | 2,666 |
| ***Total interest bearing liabilities*** | ***3,468*** | ***2,334*** | ***1,142*** | ***-*** | ***2,666*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 727 | 893 | 893 | 893 | 893 |
| Other provisions | 231 | 233 | 235 | 238 | 238 |
| ***Total provisions*** | ***958*** | ***1,126*** | ***1,128*** | ***1,131*** | ***1,131*** |
| **Total liabilities** | **5,728** | **4,574** | **3,384** | **2,245** | **4,911** |
| **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 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| 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 2023** | ***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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 12,853 | 12,733 | 13,110 | 13,259 | 13,368 |
| Sale of goods and rendering of services | 30 | - | - | - | - |
| Interest | 12 | 105 | 100 | 100 | 100 |
| Net GST received | 11 | 38 | - | - | - |
| Other | (187) | 198 | 1 | - | - |
| ***Total cash received*** | ***12,719*** | ***13,074*** | ***13,211*** | ***13,359*** | ***13,468*** |
| **Cash used** |  |  |  |  |  |
| Employees | 7,717 | 7,051 | 8,090 | 8,365 | 8,646 |
| Suppliers | 5,831 | 4,495 | 3,817 | 3,700 | 3,540 |
| Interest payments on lease liability | 41 | 31 | 19 | 6 | 6 |
| Other | 4 | - | - | - | - |
| ***Total cash used*** | ***13,593*** | ***11,577*** | ***11,926*** | ***12,071*** | ***12,192*** |
| **Net cash from/(used by) operating activities** | **(874)** | **1,497** | **1,285** | **1,288** | **1,276** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 93 | 48 | 75 | 26 | 51 |
| ***Total cash used*** | ***93*** | ***48*** | ***75*** | ***26*** | ***51*** |
| **Net cash from/(used by) investing activities** | **(93)** | **(48)** | **(75)** | **(26)** | **(51)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 1,081 | 1,134 | 1,192 | 1,142 | 1,000 |
| ***Total cash used*** | ***1,081*** | ***1,134*** | ***1,192*** | ***1,142*** | ***1,000*** |
| **Net cash from/(used by) financing activities** | **(1,081)** | **(1,134)** | **(1,192)** | **(1,142)** | **(1,000)** |
| **Net increase/(decrease) in cash held** | **(2,048)** | **315** | **18** | **120** | **255** |
| Cash and cash equivalents at the beginning of the reporting period | 6,478 | 4,430 | 4,745 | 4,763 | 4,853 |
| **Cash and cash equivalents at the end of the reporting period** | **4,430** | **4,745** | **4,763** | **4,883** | **5.105** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from Departmental resources (a) | 93 | 48 | 75 | 26 | 51 |
| **TOTAL** | **93** | **48** | **75** | **26** | **51** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 93 | 48 | 75 | 26 | 51 |
| **Total cash used to acquire assets** | **93** | **48** | **75** | **26** | **51** |

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Asset Category** | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |
| Gross book value | 1,207 | 715 | 1,922 |
| Gross book value - ROU assets | 4,744 | - | 4,744 |
| Accumulated depreciation/amortisation and impairment | (485) | (235) | (709) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (2,032) | - | (2,032) |
| **Opening net book balance** | **3,437** | **488** | **3,925** |
| **Capital asset additions** |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 48 | 48 |
| **Total additions** | **-** | **48** | **48** |
| **Other movements** |  |  |  |
| Depreciation/amortisation expense | (242) | (135) | (377) |
| Depreciation/amortisation on ROU assets | (904) | - | (904) |
| **Total other movements** | **(1,146)** | **(135)** | **(1,281)** |
| **As at 30 June 2023** |  |  |  |
| Gross book value | 1,207 | 763 | 1,970 |
| 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) |
| **Closing net book balance** | **2,291** | **401** | **2,692** |

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, departmental capital budget or other operational expenses.

.

National Archives of Australia

Entity resources and planned performance

National Archives of Australia

[Section 1: Entity overview and resources 301](#_Toc115880957)

[1.1 Strategic direction statement 301](#_Toc115880958)

[1.2 Entity resource statement 302](#_Toc115880959)

[1.3 Budget measures 302](#_Toc115880960)

[Section 2: Outcomes and planned performance 303](#_Toc115880961)

[2.1 Budgeted expenses and performance for Outcome 1 304](#_Toc115880962)

[Section 3: Budgeted financial statements 310](#_Toc115880963)

[3.1 Budgeted financial statements 310](#_Toc115880964)

[3.2 Budgeted financial statements tables 311](#_Toc115880965)

# National Archives of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Archives of Australia (National Archives) is an Australian Government entity established under the *Archives Act 1983*. The mandate of the National Archives is to secure, preserve and make public, the archival resources of the Commonwealth.

The National Archives:

* sets information and data management requirements for Australian Government entities
* ensures the Australian Government creates and keeps records of its actions and decisions to demonstrate accountability to the community and evidence of the integrity of the operations of the Australian Public Service
* authorises destruction of information assets with no ongoing value to government or community
* selects and preserves the most significant records of the Australian Government and makes these available to government and the public as a national resource to enrich and inform how Australians live today and into the future.

In 2022-23, the National Archives will:

* work with Australian Government entities to better manage their information and assets, consistent with National Archives’ information and data management policies and standards
* apply additional measures to ensure the preservation of at-risk records
* increase resources to improve access applications for Commonwealth records and additional digitization-on-demand services
* invest in cyber security and digital resources to facilitate secure and timely transfer of records.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to National Archives 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 the entity’s operations) classification.

Information in this table is presented on a resourcing (appropriations/cash available) basis, while 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: National Archives resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **DEPARTMENTAL** |  |  |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 18,228 | 9,739 |
| Departmental appropriation (b) | 70,697 | 86,463 |
| S74 External Revenue (c) | 2,058 | 2,056 |
| Department capital budget (d) | 8,011 | 8,095 |
| Annual appropriations – other services – non-operating (e) |  |  |
| Equity injection | 5,400 | 10,600 |
| Total departmental annual appropriations | 104,394 | 116,953 |
| **Total departmental resourcing** | **104,394** | **116,953** |
| **Total resourcing for National Archives** | **104,394** | **116,953** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 332 | 363 |

Prepared on a resourcing (i.e. 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, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Excludes Departmental capital budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the *PGPA Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

1.3 Budget measures

There are no measures relating to National Archives for the 2022-23 October 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 measure 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 (National Archives) can be found at: https://www.naa.gov.au/about-us/our-organisation/accountability-and-reporting/our-corporate-plans  The most recent annual performance statement can be found at: https://www.naa.gov.au/about-us/our-organisation/accountability-and-reporting/annual-reports |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: To promote the creation, management and preservation of authentic, reliable and useable Commonwealth records, and to facilitate Australians’ access to the archival resources of the Commonwealth. |

##### Budgeted expenses for Outcome 1

Table 2.1.1 shows how much National Archives intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: National Archives of Australia** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 70,697 | 86,463 | 77,477 | 79,386 | 70,928 |
| s74 External Revenue (a) | 2,058 | 2,056 | 2,140 | 2,204 | 2,208 |
| Expenses not requiring appropriation in the Budget year (b) | 20,460 | 19,560 | 19,960 | 18,784 | 18,784 |
| **Total expenses for program 1.1** | **93,215** | **108,079** | **99,577** | **100,374** | **91,920** |
| **Outcome 1 totals by resource type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 70,697 | 86,463 | 77,477 | 79,386 | 70,928 |
| s74 External Revenue (a) | 2,058 | 2,056 | 2,140 | 2,204 | 2,208 |
| Expenses not requiring appropriation in the Budget year (b) | 20,460 | 19,560 | 19,960 | 18,784 | 18,784 |
| **Total expenses for Outcome 1** | **93,215** | **108,079** | **99,577** | **100,374** | **91,920** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 332 | 363 |

1. Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Table 2.1.2 : Performance measure for Outcome 1

|  |  |  |
| --- | --- | --- |
| **Outcome 1 -** To promote the creation, management and preservation of authentic, reliable and useable Commonwealth records, and to facilitate Australians’ access to the archival resources of the Commonwealth | | |
| **Program 1.1 -** The National Archives provides stewardship of the records of the Australian Government to provide access to the evidence and memory of our nation, connecting Australians with their identity, history and place in the world. | | |
| **Key Activities** | The key activities for delivering this program are:   * Enable best practice information and data management by Australian Government entities. * Secure and preserve nationally significant Australian Government information and data. * Connect Australians to the national archival collection. * Innovate to lead archival practice in the digital age. | |
| **Year** | **Performance measures** | **Expected performance results** |
| Prior year 2021-22 | The National Archives leads Australian Government entities in achieving digital continuity and effective management of Australian Government information assets (records, information and data) through whole-of-government information policy, standards and advice. | Delivery of timely and fit-for-purpose guidance to support implementation of the *Building trust in the public record* policy by Commonwealth government entities.  Target met  With policy stakeholders, National Archives to undertake a first-year review of its delivery of the *Building trust in the public record* policy and its implementation by Commonwealth government entities.  Target partially met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected performance results** |
| Prior year 2021-22 cont. | The national archival collection is accessible, promoted and made available through multiple channels regardless of original format. | *State of Australian Government Information Management* report post-*Digital Continuity 2020 Policy* is published: The National Archives will engage with entities reporting low-maturity to provide advice and support to improve their information and data management practices.  Target met  Qualitative and quantitative evaluation of progress towards *Building trust in the public record* policy measures of success, using survey responses and case studies.  Target met |
| Information and data of enduring national significance is identified and preserved in the national archival collection. | Improve progress towards sustained comprehensive agency retention and disposal coverage across Australian Government by issuing at least 20 disposal and retention instruments by 30 June 2022.  Target met  Qualitative and quantitative evaluation of the programs to preserve at-risk records in the national archival collection.  Target met  Migration and ingest of 700 Tb of data from fragile platforms to the National Archives secure platforms by 30 June 2022.  Target met  Digital records are ingested into the National Archives Integrated Archival Management System from two government agencies.  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected performance results** |
| Prior year 2021-22 cont. | The national archival collection is accessible and promoted, made available through multiple channels regardless of original format. | Qualitative and quantitative evaluation of the progress towards ingesting the digital records from two agencies, using case studies.  Target met  Quantitative evaluation of engagement by measuring the (4 per cent annual growth):  1. Onsite visitors (104,000);  Target partially met  2. Offsite visitors (115,000);  Target partially met  3. Online visits to our websites (4,160,000)  Target met  4. Social media engagements (520,000  Target met  5. Potential media audience (12,480,000)  Target met  6. Online interactions with RecordSearch (3,016,000)  Target met  7. Digitised images made available online to the public (2,600,000)  Target met  8. Digitised items made available online to the public (104,000).  Target met  Qualitative evaluation of the accessibility and engagement with the national archival collection, the channels used and cooperation with other stakeholders, using case studies.  Target met |
|  | Exploit new and emerging technology, with contemporary approaches to governance, to modernise operation of the National Archives. | Qualitative evaluation of the effectiveness and refinement of changes to the technologies and governance framework by 30 June 2022, using case studies.  Target met  Application and implementation of amendments to *Archives Act 1983* to modernise its operations, subject to Government agreement.  Target not met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected performance results** |
| Prior year 2021-22 cont. | Implement and maintain an integrated end-to-end digital archival solution. | Deliver the implementation of Integrated Archival Management System preservation platform, and search and discovery phases by 30 June 2022.  Target met  Qualitative evaluation of integrations and implementation of phases of the Integrated Archival Management System, using case studies.  Target met |
| **Year** | **Performance measures** | **Planned performance results** |
| Budget Year 2022-23 | Provide leadership of whole-of-Government information and data management policy, including implementation of Building trust in the public record. | Deliver guidance that is fit-for-purpose to help agencies implement the Building trust in the public record policy. |
|  | All at-risk collections are preserved digitally over time. | 100% of digitisation targets are delivered by the major projects.  10% analogue at-risk items digitally preserved.  Base-line for digital at-risk items digitally preserved established. |
|  | Issue records authorities to allow agencies to make decisions about keeping, destroying or transferring Australian Government records. | Issue 20 or more disposal and retention instruments. |
|  | The ways stakeholders engage with and use the collection meets their expectations within a digital first approach. | Number of engagements with National Archives services and programs.  Case studies of collection programs shows that more than 80% of stakeholder expectations were met. |
|  | National Archives has appropriate digital capability to efficiently deliver, maintain and use a cybersecure next generation digital archive. | Number of Essential Eight cyber security mitigation strategies implemented. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned performance results** |
| Forward Estimates  2023-26 | All at-risk collections are preserved digitally over time. | 100% of digitisation targets are delivered by the major projects.  12% analogue at-risk items digitally preserved.  Base-line for digital at-risk items digitally preserved established. |
| Issue records authorities to allow agencies to make decisions about keeping, destroying or transferring Australian Government records. | Issue 20 or more disposal and retention instruments. |
| The ways stakeholders engage with and use the collection meets their expectations within a digital first approach. | Number of engagements with National Archives services and programs.  Case studies of collection programs shows that more than 80% of stakeholder expectations were met. |
| National Archives has appropriate digital capability to efficiently deliver, maintain and use a cybersecure next generation digital archive. | Number of Essential Eight cyber security mitigation strategies implemented. |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of National Archive finances for the 2022-23 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

In 2022–23, the estimated appropriation revenue of $86.5 million, is an increase in appropriation revenue compared to 2021–22 due to funding provided to the National Archives for the 2021-22 MYEFO measure National Archives of Australia – preserving Australia’s cultural heritage not being published in PAES.

Other gains are currently estimated to remain constant in the budget and forward years and is directly related to the estimated intake of collection items from Commonwealth Government agencies. Revenue from the sale of goods and rendering of services is estimated to remain steady in the budget and forward years.

**Budgeted Departmental Balance Sheet**

Heritage and cultural assets are expected to increase in value over the forward years, primarily as a result of the intake of new collection items each year. At 30 June 2022, total assets are estimated at $2.039 billion, of which approximately 76 per cent are heritage and cultural assets.

Payables increase in the forward years in line with an increase in associated work supporting heritage and cultural assets.

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 36,972 | 40,462 | 39,927 | 40,463 | 37,834 |
| Suppliers | 16,624 | 14,424 | 13,991 | 16,169 | 10,686 |
| Depreciation and amortisation (a) | 34,812 | 34,356 | 34,357 | 32,786 | 32,786 |
| Finance costs | 11,951 | 11,637 | 11,302 | 10,956 | 10,614 |
| **Total expenses** | **100,359** | **100,879** | **99,577** | **100,374** | **91,920** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sales of goods and rendering of services | 1,670 | 1,720 | 1,800 | 1,860 | 1,860 |
| Rental income | 332 | 347 | 358 | 368 | 378 |
| Other | 75 | 75 | 80 | 80 | 80 |
| **Total own-source revenue** | **2,077** | **2,142** | **2,238** | **2,308** | **2,318** |
| **Gains** |  |  |  |  |  |
| Other | 10,000 | 18,000 | 10,000 | 10,000 | 10,000 |
| **Total gains** | **10,000** | **18,000** | **10,000** | **10,000** | **10,000** |
| **Total own-source income** | **12,077** | **20,142** | **12,238** | **12,308** | **12,318** |
| **Net (cost of)/contribution by services** | **(88,282)** | **(80,737)** | **(87,339)** | **(88,066)** | **(79,602)** |
| Revenue from Government | 70,697 | 86,463 | 77,477 | 79,386 | 70,928 |
| **Surplus/(deficit) attributable to the Australian Government** | **(17,585)** | **5,726** | **(9,862)** | **(8,680)** | **(8,674)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | - | - | - | - | - |
| **Total comprehensive income/(loss)** | **(17,585)** | **5,726** | **(9,862)** | **(8,680)** | **(8,674)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(17,585)** | **5,726** | **(9,862)** | **(8,680)** | **(8,674)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(17,585)** | **5,726** | **(9,862)** | **(8,680)** | **(8,674)** |
| plus: depreciation/amortisation of assets funded through appropriations (Departmental capital budget funding and/or equity injections) (a) | 11,245 | 11,245 | 11,245 | 11,245 | 11,245 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 23,567 | 23,597 | 23,597 | 22,025 | 21,501 |
| less: lease principal repayments (b) | (14,614) | (15,616) | (16,692) | (15,965) | (16,419) |
| **Net cash operating surplus/ (deficit)** | **2,613** | **24,952** | **8,288** | **8,625** | **7,653** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 5,061 | 5,061 | 5,061 | 5,061 | 5,061 |
| Trade and other receivables | 9,739 | 18,585 | 17,071 | 15,658 | 14,246 |
| Other financial assets | 1,255 | 934 | 934 | 934 | 934 |
| ***Total financial assets*** | ***16,055*** | ***24,580*** | ***23,066*** | ***21,653*** | ***20,241*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 440,990 | 415,724 | 392,612 | 371,071 | 349,530 |
| Property, plant and equipment | 29,018 | 24,720 | 24,767 | 24,909 | 25,051 |
| Heritage and Cultural | 1,541,331 | 1,544,223 | 1,547,908 | 1,551,593 | 1,555,278 |
| Intangibles | 26,538 | 44,134 | 52,457 | 59,750 | 60,802 |
| Inventories | 140 | 111 | 111 | 111 | 111 |
| Prepayments | 626 | - | - | - | - |
| ***Total non-financial assets*** | ***2,038,643*** | ***2,028,912*** | ***2,017,855*** | ***2,007,434*** | ***1,990,772*** |
| **Total assets** | **2,054,687** | **2,053,492** | **2,040,921** | **2,029,087** | **2,011,013** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 2,982 | 2,962 | 2,962 | 2,962 | 2,962 |
| Grants | - | 35 | 35 | 35 | 35 |
| Other payables | 1,427 | 1,051 | 1,051 | 1,051 | 1,051 |
| ***Total payables*** | ***4,409*** | ***4,048*** | ***4,048*** | ***4,048*** | ***4,048*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 468,614 | 451,895 | 435,895 | 420,390 | 404,885 |
| ***Total interest-bearing liabilities*** | ***468,614*** | ***451,895*** | ***435,895*** | ***420,390*** | ***404,885*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 10,214 | 11,900 | 11,900 | 11,900 | 11,900 |
| Other provisions | 2,136 | 974 | 988 | 1,003 | 1,019 |
| ***Total provisions*** | ***12,350*** | ***12,874*** | ***12,888*** | ***12,903*** | ***12,919*** |
| **Total liabilities** | **485,373** | **468,817** | **452,831** | **437,341** | **421,852** |
| **Net assets** | **1,569,325** | **1,584,675** | **1,588,090** | **1,591,746** | **1,589,161** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 82,171 | 100,866 | 114,166 | 126,531 | 132,655 |
| Reserves | 429,926 | 429,306 | 429,306 | 429,306 | 429,306 |
| Retained surplus (accumulated deficit) | 1,057,228 | 1,054,503 | 1,044,618 | 1,035,909 | 1,027,200 |
| **Total parent entity interest** | **1,569,325** | **1,581,358** | **1,584,773** | **1,588,429** | **1,585,844** |
| **Total equity** | **1,569,325** | **1,584,675** | **1,588,090** | **1,591,746** | **1,589,161** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital  $’000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 1,057,228 | 429,926 | 82,171 | 1,569,325 |
| **Adjusted opening balance** | **1,057,228** | **429,926** | **82,171** | **1,569,325** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (6,042) | (620) | - | (6,662) |
| **Total comprehensive income** | **(6,042)** | **(620)** | **-** | **(6,662)** |
| **Contributions by owners** |  |  |  |  |
| Equity injection – Appropriation | - | - | 10,600 | 10,600 |
| Departmental capital budget (DCB) | - | - | 8,095 | 8,095 |
| **Sub-total transactions with owners** | **-** | **-** | **18,695** | **18,695** |
| **Estimated closing balance as at 30 June 2023** | **1,051,186** | **429,306** | **100,866** | **1,581,358** |
| **Closing balance attributable to the Australian Government** | **1,051,186** | **429,306** | **100,866** | **1,581,358** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 79,448 | 79,559 | 78,991 | 80,799 | 72,340 |
| Sale of goods and rendering of services | 1,971 | 2,056 | 2,140 | 2,204 | 2,208 |
| Net GST received | 4,936 | 3,265 | 3,265 | 3,265 | 3,265 |
| ***Total cash received*** | ***86,355*** | ***84,880*** | ***84,396*** | ***86,268*** | ***77,813*** |
| **Cash used** |  |  |  |  |  |
| Employees | 35,075 | 40,034 | 37,511 | 38,037 | 37,834 |
| Suppliers | 24,044 | 17,848 | 19,597 | 21,785 | 13,876 |
| Interest payments on lease liability | 11,944 | 11,624 | 11,288 | 10,941 | 10,598 |
| ***Total cash used*** | ***71,063*** | ***69,506*** | ***68,396*** | ***70,763*** | ***62,308*** |
| **Net cash from/(used by) operating activities** | **15,292** | **15,374** | **16,000** | **15,505** | **15,505** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 11,920 | 14,695 | 13,299 | 12,365 | 6,124 |
| ***Total cash used*** | ***11,920*** | ***14,695*** | ***13,299*** | ***12,365*** | ***6,124*** |
| **Net cash from/(used by) investing activities** | **(11,920)** | **(14,695)** | **(13,299)** | **(12,365)** | **(6,124)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 15,670 | 14,695 | 13,299 | 12,365 | 6,124 |
| ***Total cash received*** | ***15,670*** | ***14,695*** | ***13,299*** | ***12,365*** | ***6,124*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 15,725 | 15,734 | 16,000 | 15,505 | 15,505 |
| ***Total cash used*** | ***15,725*** | ***15,374*** | ***16,000*** | ***15,505*** | ***15,505*** |
| **Net cash from/(used by) financing activities** | **(55)** | **(679)** | **(2,701)** | **(3,140)** | **(9,381)** |
| **Net increase/(decrease) in cash held** | **3,317** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 1,744 | 5,061 | 5,061 | 5,061 | 5,061 |
| **Cash and cash equivalents at the end of the reporting period** | **5,061** | **5,061** | **5,061** | **5,061** | **5,061** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget – Bill 1 (DCB) | 8,011 | 8,095 | 6,470 | 6,566 | 6,378 |
| Equity injections – Bill 2 | 5,400 | 10,600 | 7,300 | 6,300 | - |
| **Total new capital appropriations** | **13,411** | **18,695** | **13,770** | **12,866** | **6,378** |
| **Provided for:** |  |  |  |  |  |
| *Purchase of non-financial assets* | *13,411* | *18,695* | *13,770* | *12,866* | *6,378* |
| ***Total items*** | ***13,411*** | ***18,695*** | ***13,770*** | ***12,866*** | ***6,378*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 5,400 | 10,600 | 7,300 | 6,300 | - |
| Funded by capital appropriation – DCB (b) | 8,011 | 8,095 | 6,470 | 6,566 | 6,378 |
| Funded internally from departmental resources (c) | 10,000 | 18,000 | 10,000 | 10,000 | 10,000 |
| **TOTAL** | **23,411** | **36,695** | **23,770** | **22,866** | **16,378** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 23,411 | 36,695 | 23,770 | 22,866 | 16,378 |
| less: gifted assets | (10,000) | (18,000) | (10,000) | (10,000) | (10,000) |
| **Total cash used to acquire assets** | **13,411** | **18,695** | **13,770** | **12,866** | **6,378** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years’ departmental capital budgets (DCBs).
3. Includes funding from donations and contributions.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land and Buildings  $'000 | Property, Plant and Equipment $'000 | Heritage and Cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | - | 29,062 | 1,548,291 | 45,945 | 1,623,298 |
| Gross book value - ROU assets | 510,797 | - | - | - | 510,797 |
| Accumulated depreciation/amortisation and impairment | - | (44) | (6,960) | (19,407) | (26,411) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (69,807) | - | - | - | (69,807) |
| **Opening net book balance** | **440,990** | **29,018** | **1,534,371** | **26,538** | **2,037,877** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity(a) | - | - | - | 10,600 | 10,600 |
| By purchase - appropriation ordinary annual services (b) | - | 4,271 | - | 3,824 | 8,095 |
| By purchase – donate funds | - | - | 18,000 | - | 18,000 |
| **Total additions** | **-** | **4,271** | **18,000** | **14,424** | **36,695** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (3,860) | (6,315) | (1,070) | (11,245) |
| Depreciation/amortisation on ROU assets | (23,111) | - | - | - | (23,111) |
| **Total other movements** | **(23,111)** | **(3,860)** | **(6,315)** | **(1,070)** | **(34,356)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | - | 40,014 | 1,557,393 | 65,688 | 1,663,095 |
| Gross book value - ROU assets | 509,371 | 88 | - | - | 509,459 |
| Accumulated depreciation/amortisation and impairment | - | (15,352) | (13,170) | (21,554) | (50,076) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (93,647) | (30) | - | - | (93,677) |
| **Closing net book balance** | **415,724** | **24,720** | **1,544,223** | **44,134** | **2,028,801** |

|  |  |  |
| --- | --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | | **$’000** |
| Operations and maintenance |  | 33,507 |
| Preservation and Conservation |  | 5,797 |
| **Total operating expenditure on heritage and cultural assets** |  | **39,304** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2)
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.

National Capital Authority

Entity resources and planned performance

National Capital Authority

[Section 1: Entity overview and resources 321](#_Toc98534358)

[1.1 Strategic direction statement 321](#_Toc98534359)

[1.2 Entity resource statement 323](#_Toc98534360)

[1.3 Budget measures 324](#_Toc98534361)

[Section 2: Outcomes and planned performance 325](#_Toc98534362)

[2.1 Budgeted expenses and performance for Outcome 1 326](#_Toc98534363)

[Section 3: Budgeted financial statements 330](#_Toc98534364)

[3.1 Budgeted financial statements 330](#_Toc98534365)

[3.2 Budgeted financial statements tables 331](#_Toc98534366)

# National Capital Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Capital Authority (NCA) was established under the *Australian Capital Territory (Planning and Land Management) Act 1988* (the PALM Act).

The PALM Act prescribes the NCA’s powers and functions and makes it subject to general Ministerial direction. The Minister for Regional Development, Local Government and Territories has administrative responsibility for the PALM Act.

On behalf of the Australian Government, the NCA performs the role of trustee and manager of areas in Canberra and the Australian Capital Territory (ACT) that are designated as National Land for the special purpose of Canberra as Australia’s National Capital. The NCA shapes the future of Canberra for all Australians through the National Capital Plan and related planning and development work. The NCA also manages much of the National Estate – such as Lake Burley Griffin, the National Triangle and Anzac Parade – and encourages citizens and visitors to explore Canberra’s unique characteristics and special role as the National Capital.

The functions of the NCA are set out in section 6 of the PALM Act and include:

* to prepare and administer a National Capital Plan, providing the overall planning and development framework for Canberra as Australia’s National Capital
* to keep the Plan under constant review and to propose amendments to it as required
* on behalf of the Commonwealth, to commission works to be carried out in Designated Areas in accordance with the Plan where neither a Department of State of the Commonwealth nor any Commonwealth authority has the responsibility to commission those works
* to recommend to the Minister the carrying out of works that the NCA considers desirable to maintain or enhance the character of the National Capital
* to foster an awareness of Canberra as the National Capital
* with the Minister’s approval, to perform planning services for any person or body, whether within Australia or overseas
* with the exception of the taking of water, and with the Minister’s approval, to manage National Land designated in writing by the Minister as land required for the special purposes of Canberra as the National Capital, on behalf of the Commonwealth.

The NCA’s work over the next four years is focused on three pillars:

1. Our National Role
2. Creating and Maintaining Place
3. Enhancing the Citizen and Visitor Experience

The NCA’s strategic priorities for the next four years are to:

* advance a significant capital works program to maintain and enhance the Commonwealth’s assets and strategic objectives including strengthening Commonwealth Avenue Bridge, upgrading key elements of Scrivener Dam and planning works for an additional diplomatic estate in North Curtin
* enhance the citizen and visitor experience and national and regional awareness of Australia’s National Capital – a place that tells the story of who we are, where we come from and our place in the world
* continue to create and maintain a National Capital that successfully balances the Griffin plan and legacy with the aspirations of a modern, dynamic city.

The NCA will deliver its strategic priorities while successfully maintaining and enhancing an extensive and valued asset base. The NCA’s work will include optimising its asset management plans, maintaining a positive safety culture, and aligning its people and resources with areas of greatest priority.

Overall, the NCA is working to shape Canberra as a capital that all Australians can be proud of by ensuring it is well planned, managed and promoted, consistent with its enduring national significance.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NCA 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 administered (on behalf of the Government or the public) and departmental (for the NCA’s operations) classification.

For more detailed information on special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing.*

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: National Capital Authority resource statement — Budget estimates for 2022-23 as at Budget October 2022**

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
|  | Estimated | Budget |
|  | actual |  |
|  | $'000 | $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations (b) | 5,761 | 10,265 |
| Departmental appropriation (c) | 10,357 | 10,514 |
| s74 external revenue (d) | 7,569 | 2,660 |
| Departmental capital budget (e) | 4,161 | 670 |
| Total departmental annual appropriations | 27,848 | 24,109 |
| **Total departmental resourcing** | **27,848** | **24,109** |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | 1,709 | - |
| Outcome 1 | 16,381 | 18,486 |
| Administered capital budget (f) | 13,606 | 14,373 |
| Annual appropriations - other services - non-operating (g) |  |  |
| Prior year appropriations available (b) | 1,935 | - |
| Administered assets and liabilities | 28,907 | 29,045 |
| Total administered annual appropriations | 62,538 | 61,904 |
| Total administered special appropriations (h) | - | 25 |
| **Total administered resourcing** | **62,538** | **61,929** |
| **Total resourcing** | **90,386** | **86,038** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 57 | 61 |

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

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23, Supply Act (No. 1) 2022-23.
2. Excludes amounts subject to administrative quarantine by Department of Finance or withheld under section 51 of the PGPA Act.
3. Excludes Departmental capital budget (DCB).
4. Estimated External Revenue receipts under section 74 of the PGPA Act.
5. Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
6. Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
7. Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23, Supply Bill (No. 2) 2022-23.
8. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing.

1.3 Budget measures

There are no measures relating to the NCA for the 2022-23 October 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 the National Capital Authority can be found at: https://www.nca.gov.au/about-us/corporate-documents/corporate-plan-2022-23-2025-26

The most recent annual performance statement can be found at:   
https://www.nca.gov.au/about-us/corporate-documents/annual-reports

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: To shape Canberra as a capital that all Australians can be proud of by ensuring it is well planned, managed and promoted, consistent with its enduring national significance |

##### **Budgeted expenses for Outcome 1**

The table shows how much the NCA intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: National Capital Functions** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 10,357 | 10,514 | 11,083 | 10,450 | 10,383 |
| s74 retained revenue receipts (a) | 3,245 | 2,660 | 2,775 | 2,775 | 2,775 |
| Expenses not requiring appropriation in the Budget year (b) | 1,440 | 1,156 | 1,295 | 1,289 | 1,295 |
| **Total departmental expenses** | **15,042** | **14,330** | **15,153** | **14,514** | **14,453** |
| **Total expenses for Program 1.1** | **15,042** | **14,330** | **15,153** | **14,514** | **14,453** |
| **Program 1.2: National Capital Estate** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary Annual Services (Appropriation Bill No.1) | 17,092 | 18,486 | 18,906 | 20,474 | 20,885 |
| Special Appropriations |  |  |  |  |  |
| *Public Governance, Performance and Accountability Act 2013* | - | 25 | 25 | 25 | 25 |
| Expenses not requiring appropriation in the Budget year (b) | 27,465 | 26,592 | 26,647 | 26,647 | 26,647 |
| **Total administered expenses** | **44,557** | **45,103** | **45,578** | **47,146** | **47,557** |
| **Total expenses for Program 1.2** | **44,557** | **45,103** | **45,578** | **47,146** | **47,557** |

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary Annual Services (Appropriation Bill No.1) | 17,092 | 18,486 | 18,906 | 20,474 | 20,885 |
| Special Appropriations | - | 25 | 25 | 25 | 25 |
| Expenses not requiring appropriation in the Budget year (b) | 27,465 | 26,592 | 26,647 | 26,647 | 26,647 |
| **Total administered expenses** | **44,557** | **45,103** | **45,578** | **47,146** | **47,557** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 10,357 | 10,514 | 11,083 | 10,450 | 10,383 |
| s74 retained revenue receipts (a) | 3,245 | 2,660 | 2,775 | 2,775 | 2,775 |
| Expenses not requiring appropriation in the Budget year (b) | 1440 | 1,156 | 1,295 | 1,289 | 1,295 |
| **Total departmental expenses** | **15,042** | **14,330** | **15,153** | **14,514** | **14,453** |
| **Total expenses for Outcome 1** | **59,599** | **59,433** | **60,731** | **61,660** | **62,010** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 57 | 61 |

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses, expenses related to the write-down of assets, resources received free of charge.

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.

| Outcome 1 – To shape Canberra as a capital that all Australians can be proud of by ensuring it is well planned, managed and promoted, consistent with its enduring national significance | | |
| --- | --- | --- |
| **Program 1.1** – Planning and designing areas of special national importance in Canberra and raising community awareness by ensuring that the National Capital is planned and promoted consistent with its enduring national significance. | | |
| **Key Activities** | During 2022–23 and the forward years, the NCA will:   * continue to develop and implement a comprehensive planning framework for the Australian Capital Territory * keep the National Capital Plan (the Plan) under constant review and, when required, propose, draft and consult on amendments to the Plan * assess and manage applications to undertake works in Designated Areas to ensure that they are in accordance with the Plan * provide, with Ministerial approval, consultancy services either within Australia or overseas * maintain, manage and promote the use of NCA land and other assets * develop and manage the NCA’s visitor services and attractions * foster an awareness of Canberra’s role as Australia’s National Capital. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 | Percentage of works approval applications assessed against the National Capital Plan within 15 working days | Target: Over 80%  Actual: 59%  Target not met due to complexity of work approval applications, together with staff disruptions stemming from the COVID-19 pandemic |
| Percentage of surveyed visitors satisfied with the National Capital Exhibition and other attractions managed by the NCA | Target: Over 90%  Actual: 97%  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Percentage of works approval applications assessed against the National Capital Plan within 15 working days | Target: Over 80% |
| Percentage of surveyed visitors satisfied with the National Capital Exhibition and other attractions managed by the NCA | Target: Over 90% |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

| **Program 1.2** – To facilitate the proper management and enhancement of National Land. | | |
| --- | --- | --- |
| **Key Activities** | During 2022–23 and the forward years, the NCA will:   * propose, develop and renew assets on National Land in accordance with their national significance * hold appropriate levels of insurance cover for the main risks associated with assets on National Land * implement and manage detailed asset maintenance plans that address the severity of asset conditions. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 | Percentage of assets identified as requiring capital improvement addressed in line with the asset management plan | Target: Over 90%  Actual: 97%  Target met |
| Percentage of building, civil infrastructure, open space, lake and dam maintenance issues resolved within required timeframes. | Target: Over 90%  Actual: 97%  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Percentage of assets identified as requiring capital improvement addressed in line with the asset management plan | Target: Over 90% |
| Percentage of building, civil infrastructure, open space, lake and dam maintenance issues resolved within required timeframes | Target: Over 90% |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the NCA’s finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

#### 3.1.1 Analysis of budgeted financial statements

Departmental

The NCA is budgeting for a break-even operating result in 2022-23 and forward years. Revenue from Government over the budget and forward years has been adjusted to take account of indexation and efficiency dividends.

Revenue from other sources principally reflects the recovery of costs for works approval in the Designated Areas of the ACT, as set out in the *Australian Capital Territory (Planning and Land Management) Regulations (Regulation 5)* under the *Australian Capital Territory (Land Management) Act 1988* (PALM Act), along with events revenue and rental income.

Administered

Revenue from administered activities primarily includes pay parking revenue, lease revenue on diplomatic land and user charges, which are returned in full to the Budget. Revenue from administered activities is estimated at $28.4 million in 2022-23, or $9.5 million higher than 2021-22, primarily reflecting higher anticipated pay parking receipts as parking volumes return to pre-pandemic levels.

In 2022-23, the NCA will receive appropriation of $18.5 million for supplier expenses including operating expenses associated with the administration of the pay parking program, maintenance of the National Estate and the insurance premium for risks associated with assets on National Land.

In 2022-23, the NCA estimates an investment of $43.4 million in new and existing assets, comprising:

* $14.4 million from the administered capital budget to replace and upgrade existing administered assets, and
* $29.0 million from the assets and liabilities appropriation for the Commonwealth Avenue Bridge Upgrade, Scrivener Dam Dissipator Strengthening and National Commemorative Statues projects.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 6,967 | 7,796 | 8,099 | 7,469 | 7,361 |
| Suppliers | 5,618 | 5,091 | 5,467 | 5,459 | 5,503 |
| Depreciation and amortisation | 1,645 | 1,439 | 1,584 | 1,584 | 1,584 |
| Write-down and impairment of assets | 20 | - | - | - | - |
| Finance costs | 6 | 4 | 3 | 2 | 5 |
| **Total expenses** | **14,256** | **14,330** | **15,153** | **14,514** | **14,453** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 3,245 | 2,660 | 2,775 | 2,775 | 2,775 |
| Other sources of non-taxation revenue | 48 | 50 | 50 | 50 | 50 |
| **Total own-source revenue** | **3,293** | **2,710** | **2,825** | **2,825** | **2,825** |
| **Net (cost of)/contribution by services** | **(10,963)** | **(11,620)** | **(12,328)** | **(11,689)** | **(11,628)** |
| Revenue from Government | 10,357 | 10,514 | 11,083 | 10,450 | 10,383 |
| **Surplus/(Deficit) attributable to the Australian Government** | **(606)** | **(1,106)** | **(1,245)** | **(1,239)** | **(1,245)** |
| Changes in asset revaluation reserves | 99 | - | - | - | - |
| **Total other comprehensive income** | **99** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(507)** | **(1,106)** | **(1,245)** | **(1,239)** | **(1,245)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(507)** | **(1,106)** | **(1,245)** | **(1,239)** | **(1,245)** |
| plus: depreciation/amortisation expenses previously funded through revenue appropriation (a) | 1,306 | 1,100 | 1,245 | 1,245 | 1,245 |
| plus: depreciation right-of-use assets (b) | 339 | 339 | 339 | 339 | 339 |
| less: principal repayments - leased assets (b) | (352) | (333) | (339) | (345) | (339) |
| **Net cash operating surplus/ (deficit)** | **786** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 510 | 510 | 510 | 510 | 510 |
| Trade and other receivables | 10,062 | 10,062 | 10,062 | 10,062 | 10,062 |
| ***Total financial assets*** | ***10,572*** | ***10,572*** | ***10,572*** | ***10,572*** | ***10,572*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 16,975 | 16,526 | 15,537 | 14,738 | 13,927 |
| Property, plant and equipment | 1,797 | 1,756 | 2,216 | 2,276 | 2,255 |
| Intangibles | 2,764 | 2,490 | 2,140 | 1,990 | 1,940 |
| Heritage and cultural assets | 210 | 205 | 200 | 215 | 230 |
| Other non-financial assets | 178 | 178 | 178 | 178 | 178 |
| ***Total non-financial assets*** | ***21,924*** | ***21,155*** | ***20,271*** | ***19,397*** | ***18,530*** |
| **Total assets** | **32,496** | **31,727** | **30,843** | **29,969** | **29,102** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 649 | 649 | 649 | 649 | 649 |
| Other payables | 8,861 | 8,861 | 8,861 | 8,861 | 8,861 |
| ***Total payables*** | ***9,510*** | ***9,510*** | ***9,510*** | ***9,510*** | ***9,510*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 1,431 | 1,098 | 759 | 414 | 75 |
| ***Total interest bearing liabilities*** | ***1,431*** | ***1,098*** | ***759*** | ***414*** | ***75*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,290 | 2,290 | 2,290 | 2,290 | 2,290 |
| ***Total provisions*** | ***2,290*** | ***2,290*** | ***2,290*** | ***2,290*** | ***2,290*** |
| **Total liabilities** | **13,231** | **12,898** | **12,559** | **12,214** | **11,875** |
| **Net assets** | **19,265** | **18,829** | **18,284** | **17,755** | **17,227** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 20,239 | 20,909 | 21,609 | 22,319 | 23,036 |
| Reserves | 9,284 | 9,284 | 9,284 | 9,284 | 9,284 |
| Retained surplus/(accumulated deficit) | (10,258) | (11,364) | (12,609) | (13,848) | (15,093) |
| **Total equity** | **19,265** | **18,829** | **18,284** | **17,755** | **17,227** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | (10,258) | 9,284 | 20,239 | 19,265 |
| **Adjusted opening balance** | **(10,258)** | **9,284** | **20,239** | **19,265** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (1,106) | - | - | (1,106) |
| **Total comprehensive income** | **(1,106)** | **-** | **-** | **(1,106)** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (1,106) | - | - | (1,106) |
| **Transactions with owners** |  |  |  |  |
| ***Contribution by owners*** |  |  |  |  |
| Departmental Capital Budget (DCBs) | - | - | 670 | 670 |
| **Sub-total transactions with owners** | **-** | **-** | **670** | **670** |
| **Estimated closing balance as at 30 June 2023** | **(11,364)** | **9,284** | **20,909** | **18,829** |
| **Closing balance attributable to the Australian Government** | **(11,364)** | **9,284** | **20,909** | **18,829** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 6,204 | 10,514 | 11,083 | 10,450 | 10,383 |
| Sale of goods and rendering of services | 7,274 | 2,660 | 2,775 | 2,775 | 2,775 |
| Net GST received | (100) | - | - | - | - |
| Other | 296 | - | - | - | - |
| ***Total cash received*** | ***13,674*** | ***13,174*** | ***13,858*** | ***13,225*** | ***13,158*** |
| **Cash used** |  |  |  |  |  |
| Employees | 6,667 | 7,796 | 8,099 | 7,469 | 7,361 |
| Suppliers | 5,215 | 5,041 | 5,417 | 5,409 | 5,453 |
| Interest payments on lease liability | 6 | 4 | 3 | 2 | 5 |
| ***Total cash used*** | ***11,888*** | ***12,841*** | ***13,519*** | ***12,880*** | ***12,819*** |
| **Net cash from/(used by) operating activities** | **1,786** | **333** | **339** | **345** | **339** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 4,572 | 670 | 700 | 710 | 717 |
| ***Total cash used*** | ***4,572*** | ***670*** | ***700*** | ***710*** | ***717*** |
| **Net cash from/(used by) investing activities** | **(4,572)** | **(670)** | **(700)** | **(710)** | **(717)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 4,161 | 670 | 700 | 710 | 717 |
| ***Total cash received*** | ***4,161*** | ***670*** | ***700*** | ***710*** | ***717*** |
| **Cash used** |  |  |  |  |  |
| Principal Repayments - Leased Assets | 1,024 | 333 | 339 | 345 | 339 |
| ***Total cash used*** | ***1,024*** | ***333*** | ***339*** | ***345*** | ***339*** |
| **Net cash from/(used by) financing activities** | **3,137** | **337** | **361** | **365** | **378** |
| **Net increase/(decrease) in cash held** | **351** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 159 | 510 | 510 | 510 | 510 |
| **Cash and cash equivalents at the end of the reporting period** | **510** | **510** | **510** | **510** | **510** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 4,161 | 670 | 700 | 710 | 717 |
| **Total new capital appropriations** | **4,161** | **670** | **700** | **710** | **717** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *4,161* | *670* | *700* | *710* | *717* |
| ***Total items*** | ***4,161*** | ***670*** | ***700*** | ***710*** | ***717*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations – DCB | 4,161 | 670 | 700 | 710 | 717 |
| Funded internally from departmental resources (a) | 411 | - | - | - | - |
| **Total** | **4,572** | **670** | **700** | **710** | **717** |
| Total purchases | 4,572 | 670 | 700 | 710 | 717 |
| **Total cash used to acquire assets** | **4,572** | **670** | **700** | **710** | **717** |

Prepared on Australian Accounting Standards basis.

1. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental capital budgets (DCBs).

Table 3.6: Statement of asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 | |
| **As at 1 July 2022** |  |  |  |  |  | |
| Gross book value | 15,928 | 2,081 | 214 | 5,600 | 23,823 | |
| Gross book value - ROU | 2,408 | - | - | - | 2,408 | |
| Accumulated depreciation/ amortisation and impairment | (408) | (264) | (4) | (2,836) | (3,512) | |
| Accumulated depreciation/ amortisation and impairment - ROU assets | (953) | (20) | - | - | (973) | |
| **Opening net book balance** | **16,975** | **1,797** | **210** | **2,764** | **21,746** | |
| **Capital asset additions** |  |  |  |  |  | |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  | |
| By purchase - appropriation ordinary annual services (a) | 400 | 194 | - | 76 | 670 | |
| **Total additions** | **400** | **194** | **-** | **76** | **670** | |
| **Other movements** |  |  |  |  |  | |
| Depreciation/amortisation expense | (510) | (235) | (5) | (350) | (1,100) | |
| Depreciation/amortisation on ROU | (339) | - | - | - | (339) | |
| **Total other movements** | **(849)** | **(235)** | **(5)** | **(350)** | **(1,439)** | |
| **As at 30 June 2023** |  |  |  |  |  | |
| Gross book value | 16,328 | 2,275 | 214 | 5,676 | 24,493 | |
| Gross book value - ROU | 2,408 | - | - | - | 2,408 | |
| Accumulated depreciation/ amortisation and impairment | (918) | (499) | (9) | (3,186) | (4,612) | |
| Accumulated depreciation/ amortisation and impairment - ROU | (1,292) | (20) | - | - | (1,312) | |
| **Closing net book balance** | **16,526** | **1,756** | **205** | **2,490** | **20,977** | |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, DCBs or other operational expenses.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT** |  |  |  |  |  |
| Supplier expenses | 17,092 | 18,511 | 18,931 | 20,499 | 20,910 |
| Depreciation and amortisation (a) | 24,855 | 24,592 | 24,647 | 24,647 | 24,647 |
| Write-down and impairment of assets | 2,610 | 2,000 | 2,000 | 2,000 | 2,000 |
| **Total expenses administered on behalf of Government** | **44,557** | **45,103** | **45,578** | **47,146** | **47,557** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 18,947 | 28,409 | 29,312 | 30,190 | 30,978 |
| Other revenue | 175 | 10 | 12 | 12 | 15 |
| **Total non-taxation revenue** | **19,122** | **28,419** | **29,324** | **30,202** | **30,993** |
| **Total own-source income administered on behalf of Government** | **19,122** | **28,419** | **29,324** | **30,202** | **30,993** |
| **Net (cost of)/contribution by services** | **(25,435)** | **(16,684)** | **(16,254)** | **(16,944)** | **(16,564)** |
| **Surplus/(Deficit)** | **(25,435)** | **(16,684)** | **(16,254)** | **(16,944)** | **(16,564)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(25,435)** | **(16,684)** | **(16,254)** | **(16,944)** | **(16,564)** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the administered capital budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered capital budget statement.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 91 | 91 | 91 | 91 | 91 |
| Receivables | 1,718 | 1,718 | 1,718 | 1,718 | 1,718 |
| ***Total financial assets*** | ***1,809*** | ***1,809*** | ***1,809*** | ***1,809*** | ***1,809*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 547,030 | 546,832 | 546,082 | 545,832 | 545,582 |
| Property, plant and equipment | 611,016 | 623,730 | 743,515 | 746,873 | 738,439 |
| Heritage and cultural assets | 55,560 | 58,915 | 58,138 | 57,938 | 57,638 |
| Intangibles | 3,385 | 4,340 | 4,290 | 4,270 | 4,320 |
| ***Total non-financial assets*** | ***1,216,991*** | ***1,233,817*** | ***1,352,025*** | ***1,354,913*** | ***1,345,979*** |
| **Total assets administered on behalf of Government** | **1,218,800** | **1,235,626** | **1,353,834** | **1,356,722** | **1,347,788** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 2,755 | 2,755 | 2,755 | 2,755 | 2,755 |
| Other payables | 20,697 | 20,697 | 20,697 | 20,697 | 20,697 |
| ***Total payables*** | ***23,452*** | ***23,452*** | ***23,452*** | ***23,452*** | ***23,452*** |
| **Total liabilities administered on behalf of Government** | **23,452** | **23,452** | **23,452** | **23,452** | **23,452** |
| **Net assets/(liabilities)** | **1,195,348** | **1,212,174** | **1,330,382** | **1,333,270** | **1,324,336** |

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **OPERATING ACTIVITIES** |  |  |  |  | |  | |
| **Cash received** |  |  |  |  | |  | |
| Sales of goods and rendering of services | 18,521 | 28,409 | 29,312 | 30,190 | | 30,978 | |
| GST Received | (38) | - | - | - | | - | |
| Other | 419 | 10 | 12 | 12 | | 15 | |
| ***Total cash received*** | ***18,902*** | ***28,419*** | ***29,324*** | ***30,202*** | | ***30,993*** | |
| **Cash used** |  |  |  |  | |  | |
| Suppliers | 20,114 | 18,511 | 18,931 | 20,499 | | 20,910 | |
| ***Total cash used*** | ***20,114*** | ***18,511*** | ***18,931*** | ***20,499*** | | ***20,910*** | |
| **Net cash from/(used by) operating activities** | **(1,212)** | **9,908** | **10,393** | **9,703** | | **10,083** | |
| **INVESTING ACTIVITIES** |  |  |  |  | |  | |
| **Cash used** |  |  |  |  | |  | |
| Purchase of property plant and equipment and intangibles | 13,982 | 43,418 | 144,855 | 27,535 | | 15,713 | |
| ***Total cash used*** | ***13,982*** | ***43,418*** | ***144,855*** | ***27,535*** | | ***15,713*** | |
| **Net cash from/(used by) investing activities** | **(13,982)** | **(43,418)** | **(144,855)** | | **(27,535)** | | **(15,713)** | |
| **Net increase/(decrease) in cash held** | **(15,194)** | **(33,510)** | **(134,462)** | | **(17,832)** | | **(5,630)** | |
| Cash and cash equivalents at beginning of reporting period | 559 | 91 | 91 | 91 | | 91 | |
| Cash from Official Public Account for: |  |  |  |  | |  | |
| - Appropriations | 71,818 | 61,929 | 163,786 | 48,034 | | 36,643 | |
| Total cash from Official Public Account | 71,818 | 61,929 | 163,786 | 48,034 | | 36,643 | |
| Cash to Official Public Account for: |  |  |  |  | |  | |
| - Other Transfers | 57,092 | 28,419 | 29,324 | 30,202 | | 31,013 | |
| Total cash to Official Public Account | 57,092 | 28,419 | 29,324 | 30,202 | | 31,013 | |
| **Cash and cash equivalents at end of the reporting period** | **91** | **91** | **91** | **91** | | **91** | |

Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Act 1 (ACB) (a) | 13,606 | 14,373 | 15,000 | 15,390 | 15,713 |
| Administered assets and liabilities - Act 2 | 28,907 | 29,045 | 129,855 | 12,145 | - |
| **Total new capital appropriations** | **42,513** | **43,418** | **144,855** | **27,535** | **15,713** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 42,513 | 43,418 | 144,855 | 27,535 | 15,713 |
| **Total items** | **42,513** | **43,418** | **144,855** | **27,535** | **15,713** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation - ACB (b) | 42,513 | 43,418 | 144,855 | 27,535 | 15,713 |
| **Total** | **42,513** | **43,418** | **144,855** | **27,535** | **15,713** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total accrual purchases | 42,513 | 43,418 | 144,855 | 27,535 | 15,713 |
| **Total cash used to acquire assets** | **42,513** | **43,418** | **144,855** | **27,535** | **15,713** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years’ administered capital budgets (ACBs).

Table 3.11: Statement of administered asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 528,605 | 18,039 | 615,935 | 56,861 | 4,310 | 1,223,750 |
| Accumulated depreciation/ amortisation | (17) | 403 | (4,919) | (1,301) | (925) | (6,759) |
| **Opening net book balance** | **528,588** | **18,442** | **611,016** | **55,560** | **3,385** | **1,216,991** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 29,045 | - | - | 29,045 |
| By purchase - appropriation ordinary annual services (b) | - | 502 | 8,716 | 4,155 | 1,000 | 14,373 |
| **Total additions** | **-** | **502** | **37,761** | **4,155** | **1,000** | **43,418** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/ amortisation expense | - | (700) | (23,047) | (800) | (45) | (24,592) |
| Other | - | - | (2,000) | - | - | (2,000) |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 528,605 | 18,541 | 651,696 | 61,016 | 5,310 | 1,265,168 |
| Accumulated depreciation/ amortisation | (17) | (297) | (27,966) | (2,101) | (970) | (31,351) |
| **Closing net book balance** | **528,588** | **18,244** | **623,730** | **58,915** | **4,340** | **1,233,817** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years’ administered capital budgets (ACBs).

National Faster Rail Agency

Entity resources and planned performance

National Faster Rail Agency

[Section 1: Entity overview and resources 347](#_Toc114655833)

[1.1 Strategic direction statement 347](#_Toc114655834)

[1.2 Entity resource statement 348](#_Toc114655835)

[1.3 Budget measures 348](#_Toc114655836)

[Section 2: Outcomes and planned performance 349](#_Toc114655837)

[2.1 Budgeted expenses and performance for Outcome 1 350](#_Toc114655838)

[Section 3: Budgeted financial statements 352](#_Toc114655839)

[3.1 Budgeted financial statements 352](#_Toc114655840)

[3.2. Budgeted financial statements tables 353](#_Toc114655841)

# National Faster Rail Agency

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Faster Rail Agency (NFRA) was established in 2019 to lead the development of a faster rail network, focussed on achieving faster journey times along corridors between major capital cities and key regional centres.

The NFRA works collaboratively with state and territory governments to develop business cases, secure funding and coordinate project delivery.

The Australian Government committed to establish a High Speed Rail Authority (HSRA). The HSRA will oversee the development of a High Speed Rail (HSR) network and advise on Australia’s current and future HSR needs. Once the HSRA is established, the existing scope and functions of the NFRA will be absorbed into the HSRA.

Our focus over the next four years, will be to continue to provide informed advice to the Australian Government on faster rail projects, secure funding for more priority projects, and work with the states on the delivery of jointly funded faster rail construction projects. The business cases undertaken since the NFRA’s establishment have provided a clear understanding of the role for faster rail and how best to upgrade corridors to achieve faster rail services. Business cases have also considered opportunities for fast rail and high speed rail.

The delivery of an east coast HSR system between Brisbane and Melbourne is a key election commitment of the Australian Government. This will be initially be supported by a $500 million investment to begin planning and secure a corridor for a high speed rail corridor between Sydney and Newcastle. Drawing on the capabilities, skills, experience and knowledge built up by NFRA, resources will be transferred to the HSRA to assist the Government to deliver on these commitments.

The NFRA’s purpose and strategic goals are available in the NFRA’s 2022-23 to 2025-26 Corporate Plan, available from www.nfra.gov.au.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NFRA 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 the NFRA’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: NFRA resource statement - Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 1,623 | 1,623 |
| Departmental appropriation | 3,462 | 3,486 |
| Total Departmental annual appropriations | 5,085 | 5,109 |
| **Total Departmental resourcing** | **5,085** | **5,109** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number) (b)** | 9 | 4 |

Prepared on a resourcing (i.e. appropriations available) basis.

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

1. Appropriation Bill (No. 1) 2022-23,Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Reduction in ASL for 2022-23 reflects expected transfer to HSRA upon creation.

1.3 Budget measures

Table 1.2: National Faster Rail Authority October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Payment measures** |  |  |  |  |  |  |
| Building a Better Future through considered Infrastructure Investment | 1.1 |  |  |  |  |  |
| Departmental payment |  | - | (1,235) | (2,566) | (2,595) | (2,618) |
| **Total** |  | **-** | **(1,235)** | **(2,566)** | **(2,595)** | **(2,618)** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | (1,235) | (2,566) | (2,595) | (2,618) |
| **Total** |  | **-** | **(1,235)** | **(2,566)** | **(2,595)** | **(2,618)** |

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (‑) represent a decrease in funds and a positive (+) represent an increase in funds.

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 measure 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 and annual performance statement for the NFRA can be found at: https://www.nfra.gov.au/reports/corporate-information |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1 — Faster rail services between capital cities and key regional centres by providing coordination, strategic advice and the identification of investments that reduce travel times |

##### **Budgeted expenses for Outcome 1**

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: (National Faster Rail Agency)** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation(a) | 3,462 | 3,486 | 2,566 | 2,595 | 2,618 |
| Expenses not requiring appropriation in the Budget year (b) | 25 | - | - | - | - |
| **Departmental total** | **3,487** | **3,486** | **2,566** | **2,595** | **2,618** |
| **Total expenses for program 1.1** | **3,487** | **3,486** | **2,566** | **2,595** | **2,618** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 9 | 4 |

1. Funding to be transferred to HSRA upon establishment with the impact of the 2022-23 October Budget measure reflected in the estimates at that time.
2. Expenses not requiring appropriation in the Budget year are made up of audit fees received free of charge.

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| Outcome 1 — Faster rail services between capital cities and key regional centres by providing national coordination, strategic advice and the identification of project investments that reduce travel times. | | |
| --- | --- | --- |
| **Program 1-** Advice supports the Australian Government’s objectives for faster rail. | | |
| **Key Activities** (a) | The following activities will contribute to the National Faster Rail Agency achieving this:   * Lead development and implementation of faster rail investment projects * Oversee the development of faster rail business cases and corridor investigations * Identify any further rail corridors that would benefit from faster rail services * Consider opportunities for fast rail and high speed rail, particularly where sections of new corridor can become available * Deliver faster rail construction projects (with states and territories) * Work in partnership with other Commonwealth agencies to explore alternative funding and financing options. * Consider options to future-proof corridors for high speed rail. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 | Continued coordination and development of the Faster Rail Plan.  Progress projects to improve rail reliability and travel speeds on selected routes | Actual: Completed two additional faster rail business cases (building on the five already completed) and continue governance arrangements to ensure delivery of a further eight investigations.  Policy and technical advice provided to the Government to support the delivery of the Faster Rail Plan including advice on faster rail projects, further potential corridor investigations and future investment opportunities.  Target met. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | Oversee the state government’s delivery of jointly funded faster rail construction projects.  Progress projects to improve rail reliability and travel speeds on selected routes. | Develop business cases for selected corridors.  Management of funding and oversight of project delivery for corridors selected for investment. |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

1. Refers to updated key activities that will be reflected in the 2021-22 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NFRA’s finances for the 2022-23 Budget year. Once established, financial statements will be transferred and reflected against the HSRA agency.

3.1 Budgeted financial statements

#### 3.1.1 Explanatory notes and analysis of budgeted financial statements

The income statement shows the estimated net cost of services for NFRA.

Total budgeted expenses for the NFRA in 2022-23 are $3.5 million, including $2.0 million in employee benefit expenses and $1.5 million in supplier expenses. Supplier expenses include contracted services, consultancy, travel and other administration costs.

The NFRA’s major assets include cash and receivables ($2.5 million).

The NFRA’s major liabilities ($0.5 million) include supplier payables, employee payables and employee provisions.

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 1,643 | 1,967 | 1,447 | 1,455 | 1,470 |
| Suppliers | 943 | 1,519 | 1,119 | 1,140 | 1,148 |
| **Total expenses** | **2,586** | **3,486** | **2,566** | **2,595** | **2,618** |
| **LESS:** |  |  |  |  |  |
| **Gains** |  |  |  |  |  |
| Other | 25 | **-** | **-** | **-** | **-** |
| **Total gains** | **25** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **25** | **-** | **-** | **-** | **-** |
| **Net (cost of)/contribution by services** | **(2,561)** | **(3,486)** | **(2,566)** | **(2,595)** | **(2,618)** |
| Revenue from Government | 3,462 | 3,486 | 2,566 | 2,595 | 2,618 |
| **Surplus/(deficit) attributable to the Australian Government** | **901** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **901** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **ASSETS** |  | |  |  | |  | |  | |
| **Financial assets** |  | |  |  | |  | |  | |
| Cash and cash equivalents | 20 | | 20 | 20 | | 20 | | 20 | |
| Trade and other receivables | 2,510 | | 2,510 | 2,510 | | 2,510 | | 2,510 | |
| ***Total financial assets*** | | ***2,530*** | ***2,530*** | ***2,530*** | ***2,530*** | | ***2,530*** | |
| **Non-financial assets**  Prepayment | 2 | | 2 | 2 | | 2 | | 2 | |
| ***Total non-financial assets*** | ***2*** | | ***2*** | ***2*** | | ***2*** | | ***2*** | |
| **Total assets** | **2,532** | | **2,532** | **2,532** | | **2,532** | | **2,532** | |
| **LIABILITIES** |  | |  |  | |  | |  | |
| **Payables** |  | |  |  | |  | |  | |
| Suppliers | 59 | | 59 | 59 | | 59 | | 59 | |
| Other payables | 36 | | 36 | 36 | | 36 | | 36 | |
| ***Total payables*** | ***95*** | | ***95*** | ***95*** | | ***95*** | | ***95*** | |
| **Provisions** |  | |  |  | |  | |  | |
| Employee provisions | 424 | | 424 | 424 | | 424 | | 424 | |
| ***Total provisions*** | ***424*** | | ***424*** | ***424*** | | ***424*** | | ***424*** | |
| **Total liabilities** | **519** | | **519** | **519** | | **519** | | **519** | |
| **Net assets** | **2,013** | | **2,013** | **2,013** | | **2,013** | | **2,013** | |
| **EQUITY** |  | |  |  | |  | |  | |
| **Parent entity interest** |  | |  |  | |  | |  | |
| Retained surplus (accumulated deficit) | 2,013 | | 2,013 | 2,013 | | 2,013 | | 2,013 | |
| ***Total parent entity interest*** | ***2,013*** | | ***2,013*** | ***2,013*** | | ***2,013*** | | ***2,013*** | |
| **Total equity** | **2,013** | | **2,013** | **2,013** | | **2,013** | | **2,013** | |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |
| --- | --- | --- |
|  | Retained earnings $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2022** |  |  |
| Balance carried forward from previous period | 2,013 | 2,013 |
| ***Adjusted opening balance*** | ***2,013*** | ***2,013*** |
| **Comprehensive income** |  |  |
| Surplus/(deficit) for the period | - | - |
| ***Total comprehensive income*** | ***-*** | ***-*** |
| **Estimated closing balance as at 30 June 2023** | **2,013** | **2,013** |
| **Closing balance attributable to the Australian Government** | **2,013** | **2,013** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 2,584 | 3,486 | 2,566 | 2,595 | 2,618 |
| Other | 184 | - | - | - | - |
| ***Total cash received*** | ***2,768*** | ***3,486*** | ***2,566*** | ***2,595*** | ***2,618*** |
| **Cash used** |  |  |  |  |  |
| Employees | 1,811 | 1,967 | 1,447 | 1,455 | 1,470 |
| Suppliers | 957 | 1,519 | 1,119 | 1,140 | 1,148 |
| ***Total cash used*** | ***2,768*** | ***3,486*** | ***2,566*** | ***2,595*** | ***2,618*** |
| **Net cash from/(used by) operating activities** | **-** | **-** | **-** | **-** | **-** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 20 | 20 | 20 | 20 | 20 |
| **Cash and cash equivalents at the end of the reporting period** | **20** | **20** | **20** | **20** | **20** |

Prepared on Australian Accounting Standards basis.

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

This table is not provided as the NFRA does not receive capital funds.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

This table is not provided as the NFRA does not hold non-financial asset.

National Film and Sound Archive of Australia

Entity resources and planned performance

National Film and Sound Archive of Australia

[Section 1: Entity overview and resources 361](#_Toc99028959)

[1.1 Strategic direction statement 361](#_Toc99028960)

[1.2 Entity resource statement 362](#_Toc99028961)

[1.3 Budget measures 362](#_Toc99028962)

[Section 2: Outcomes and planned performance 363](#_Toc99028963)

[2.1 Budgeted expenses and performance for Outcome 1 364](#_Toc99028964)

[Section 3: Budgeted financial statements 368](#_Toc99028965)

[3.1 Budgeted financial statements 368](#_Toc99028966)

[3.2 Budgeted financial statements tables 369](#_Toc99028967)

# National Film and Sound Archive of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

The legislative functions of the National Film and Sound Archive of Australia (NFSA) are outlined in the *National Film and Sound Archive of Australia Act 2008*. The NFSA is Australia’s premier audiovisual archive and a place of engagement with Australian audiovisual production past and present.

The NFSA’s mission is to collect and preserve Australian film, recorded sound, broadcast and new media, and their associated documents and artefacts, and to share the collection with audiences across Australia and overseas.

The NFSA exists to perform three vital functions:

* collect audiovisual works and associated documentation that reflect all aspects of Australian life and our diverse communities
* preserve the collection in accordance with international standards and working within our resources, to ensure permanent access
* share the collection so its stories form an ongoing part of the evolution of our culture.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NFSA 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 the NFSA’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: NFSA resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **920** | **1,482** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 28,026 | 29,702 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 4,327 | 8,405 |
| Total annual appropriations | 32,353 | 38,107 |
| Amounts received from related entities |  |  |
| Amounts from Portfolio Department (c) | 1,207 | 1,100 |
| Total amounts received from related entities | 1,207 | 1,100 |
| **Total funds from Government** | **33,560** | **39,207** |
| **Funds from other sources** |  |  |
| Interest | 64 | 200 |
| Royalties | 141 | 195 |
| Sale of Goods | 98 | 15 |
| Rendering of Services | 724 | 726 |
| Other | 2,290 | 590 |
| **Total funds from other sources** | **3,317** | **1,726** |
| **Total net resourcing for NFSA** | **37,797** | **42,415** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 174 | 182 |

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

(a) Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

(c) Funding provided by the Portfolio Department that is not specified within the Annual Appropriation Bills as a payment to NFSA (for example, a grant awarded to NFSA from one of its Portfolio Department's administered programs).

The NFSA 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 (a non-corporate Commonwealth entity), which are then paid to the NFSA and considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures relating to NFSA for the 2022-23 October 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 the NFSA can be found at: www.nfsa.gov.au/about/corporate-information/publications/corporate-plan  The most recent annual performance statement can be found at: www.nfsa.gov.au/about/corporate-information/publications/annual-reports |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance |

**Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Collect, preserve and share the national audiovisual collection** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 28,026 | 29,702 | 31,284 | 31,789 | 32,490 |
| Payment from related entities | 1,207 | 1,100 | 800 | - | - |
| Expenses not requiring appropriation in the Budget year (a) | - | 4,313 | 5,286 | 5,850 | 5,940 |
| Revenues from other independent sources | 2,278 | 1,726 | 1,726 | 1,726 | 1,726 |
| **Total expenses for Program 1.1** | **31,511** | **36,841** | **39,096** | **39,365** | **40,156** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 28,026 | 29,702 | 31,284 | 31,789 | 32,490 |
| Payment from related entities | 1,207 | 1,100 | 800 | - | - |
| Expenses not requiring appropriation in the Budget year (a) | - | 4,313 | 5,286 | 5,850 | 5,940 |
| Revenues from other independent sources | 2,278 | 1,726 | 1,726 | 1,726 | 1,726 |
| **Total expenses for Outcome 1** | **31,511** | **36,841** | **39,096** | **39,365** | **40,156** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 174 | 182 |

1. Expenses not requiring appropriation in the Budget year reflect depreciation of heritage and cultural assets.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance | | |
| **Program 1.1 –** Collect, preserve and share the national audiovisual collection | | |
| **Key Activities** | **Collect and Connect**  We will preserve our collection both physical and digital in line with international standards.  We will digitise our physical at-risk collection, with magnetic tape as a priority.  **Engage and Celebrate**  We will engage audiences through a range of events, displays and screenings.  We will increase our national reach in order to showcase the collection.  **Educate and Empower** We will continue to share and develop the educational potential of the national audiovisual collection.  **Innovate and Collaborate** We will collaborate and partner with creatives and cultural institutions working with audiovisual media.  **Foster and Lead** We will improve the culture at the NFSA by undertaking a cultural change program. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | **Collect and Connect**  We will maintain a healthy average lifespan for the physical collection. | Actual: average physical collection lifespan of 266 years.  Target met |
|  | We will increase our digitisation capacity. | Actual: Substantially achieved target: 24,616 items digitised  Target not met |
|  | **Engage and Celebrate** We will attract in person visitors to experience Australian audiovisual culture and history. | Actual: Partially achieved target: 58,869 in person visitors  Target not met |
|  | We will engage audiences online. | Actual: 28.5 million online engagements  Target met |
|  | **Educate and Empower**  We will provide education programs on collection material. | Actual: 9 education programs offered.  Target met |

| **Year** | **Performance measures** | **Expected Performance Results** |
| --- | --- | --- |
| Prior year 2021-22 cont. | **Innovate and Collaborate**  We will build and maintain strong relationships with peers in the galleries, libraries, archives and museums sector. | Actual: 6 relationships built and maintained.  Target met |
|  | **Foster and Lead**  We will improve our employee engagement score in the APS Employee Census. | Actual: APS Employee Census engagement score remained stable at 75%.  Target not met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 | **Collect and Connect**  We will maintain optimum environmental conditions for the preservation of the physical collection in line with international standards. | Environmental conditions measured monthly are within the target range set by international standards. |
| We will increase our digitisation capacity and capability. | A maximum of 35,000 items to be digitised in this period. |
| **Engage and Celebrate** We will attract in person visitors to experience Australian audiovisual culture and history. | 92,990 in-person visitors experience Australian audiovisual culture and history. |
| We will engage audiences online. | Audiences experience Australian audiovisual culture and history through 17.5 million online engagements with the NFSA and its content |
| **Educate and Empower**  We will partner with relevant organisations to develop media literacy resources. | Media literacy education and teacher training plan developed and piloted. |
| **Innovate and Collaborate**  We will build and maintain strong relationships with peers in the galleries, libraries, archives and museums and education sectors. | 4 active collaborative projects maintained each year. |
| **Foster and Lead**  We will consistently improve our employee engagement score in the APS Employee Census. | Exceed 21/22 employee engagement score in the APS Employee Census. |
| Forward Estimates  2023-26 | As per 2022-23 | Environmental conditions measured monthly are within the target range set by international standards. |
| At risk collection items at the NFSA and other NCI’s are digitised to ensure their preservation. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates  2023-26 cont. |  | 373,835 in-person visitors experience Australian audiovisual culture and history across the years 2023-2026. |
| Audiences experience Australian audiovisual culture and history through 60million online engagements with the NFSA and its content across the years 2023-2026. |
| Media literacy education and teacher  training plan implemented and ongoing. |
| 4 active collaborative projects maintained each year. |
| Improved employee engagement score in APS Employee Census indicates that staff are positive about their workplace and its culture. |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NFSA finances for the 2022-23 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

**Comprehensive income statement**

Total income in 2022-23 is expected to be $35.3 million, which includes $29.7 million of revenue from Government, $2.8 million of own sourced revenue and $2.8 million of collection gains.

Total expenses for 2022-23 are estimated to be $36.8 million, which is $5.3 million higher than the 2021-22 estimated actual. Employee benefits have increased by 5% and supplier expenses have increased by 10% following funding from new Government measures taken since the 2021-22 Budget. Depreciation and amortisation expense is comparable to the 2021-22 estimated actual.

**Budgeted departmental balance sheet**

The NFSA’s net assets are budgeted to be $420.4 million at 30 June 2023. This comprises mainly of the NFSA’s heritage and cultural collection. This is independently valued on a regular basis. Depreciation is also incurred on the collection and is determined based on estimated useful lives.

An equity injection of $0.8 million will be received in 2022-23 for investment in the collection and a further equity injection of $7.6 million for the investment in property, plant and equipment for the digitisation and storage of audio-visual collection items.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 16,537 | 18,618 | 19,884 | 19,690 | 18,544 |
| Suppliers | 9,014 | 11,887 | 12,299 | 12,127 | 13,739 |
| Depreciation and amortisation | 5,868 | 6,296 | 6,873 | 7,508 | 7,833 |
| Finance costs | 74 | 40 | 40 | 40 | 40 |
| Write-down and impairment of assets | 13 | - | - | - | - |
| Losses from asset sales | 5 | - | - | - | - |
| **Total expenses** | **31,511** | **36,841** | **39,096** | **39,365** | **40,156** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods | 98 | 15 | 15 | 15 | 15 |
| Rendering of services | 724 | 726 | 726 | 726 | 726 |
| Interest | 64 | 200 | 200 | 200 | 200 |
| Royalties | 141 | 195 | 195 | 195 | 195 |
| Other | 3,497 | 1,690 | 1,390 | 590 | 590 |
| **Total own-source revenue** | **4,524** | **2,826** | **2,526** | **1,726** | **1,726** |
| **Gains** |  |  |  |  |  |
| Other | 2,942 | 2,770 | 2,770 | 2,770 | 2,770 |
| **Total gains** | **2,942** | **2,770** | **2,770** | **2,770** | **2,770** |
| **Total own-source income** | **7,466** | **5,596** | **5,296** | **4,496** | **4,496** |
| **Net (cost of)/contribution by services** | **(24,045)** | **(31,245)** | **(33,800)** | **(34,869)** | **(35,660)** |
| Revenue from Government | 28,026 | 29,702 | 31,284 | 31,789 | 32,490 |
| **Surplus/(deficit) attributable to the Australian Government** | **3,981** | **(1,543)** | **(2,516)** | **(3,080)** | **(3,170)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 32,512 | - | - | - | - |
| **Total other comprehensive income** | **32,512** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **36,493** | **(1,543)** | **(2,516)** | **(3,080)** | **(3,170)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **36,493** | **(1,543)** | **(2,516)** | **(3,080)** | **(3,170)** |
| plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a) | 2,024 | 1,936 | 1,936 | 1,936 | 1,936 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 842 | 620 | 620 | 620 | 620 |
| less: lease principal repayments (b) | (819) | (647) | (647) | (607) | (647) |
| **Net cash operating surplus/ (deficit)** | **40,178** | **1,660** | **687** | **83** | **33** |

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.

(b) Applies to leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 1,482 | 2,808 | 3,538 | 3,879 | 4,415 |
| Trade and other receivables | 1,823 | 1,823 | 1,823 | 1,823 | 1,823 |
| Other investments | 14,500 | 13,500 | 13,000 | 13,000 | 13,000 |
| Other financial assets | 16 | 16 | 16 | 16 | 16 |
| ***Total financial assets*** | ***17,821*** | ***18,147*** | ***18,377*** | ***18,718*** | ***19,254*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 60,008 | 58,598 | 56,878 | 55,158 | 54,960 |
| Property, plant and equipment | 4,944 | 11,262 | 17,318 | 18,873 | 16,276 |
| Heritage and Cultural | 337,089 | 338,743 | 340,431 | 342,133 | 343,844 |
| Intangibles | 379 | 363 | 377 | 391 | 405 |
| Inventories | 615 | 615 | 615 | 615 | 615 |
| Prepayments | 932 | 932 | 932 | 932 | 932 |
| ***Total non-financial assets*** | ***403,967*** | ***410,513*** | ***416,551*** | ***418,102*** | ***417,032*** |
| **Total assets** | **421,788** | **428,660** | **434,928** | **436,820** | **436,286** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 462 | 462 | 462 | 462 | 462 |
| Other payables | 363 | 363 | 363 | 363 | 363 |
| ***Total payables*** | ***825*** | ***825*** | ***825*** | ***825*** | ***825*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 2,266 | 2,276 | 2,276 | 2,316 | 3,838 |
| ***Total interest bearing liabilities*** | ***2,266*** | ***2,276*** | ***2,276*** | ***2,316*** | ***3,838*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 4,519 | 4,519 | 4,519 | 4,519 | 4,519 |
| Other provisions | 593 | 593 | 593 | 593 | 593 |
| ***Total provisions*** | ***5,112*** | ***5,112*** | ***5,112*** | ***5,112*** | ***5,112*** |
| **Total liabilities** | **8,203** | ***8,213*** | **8,213** | **8,253** | **9,775** |
| **Net assets** | **413,585** | **420,447** | **426,715** | **428,567** | **426,511** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 229,293 | 237,698 | 246,482 | 251,414 | 252,528 |
| Reserves | 175,554 | 175,554 | 175,554 | 175,554 | 175,554 |
| Retained surplus (accumulated deficit) | 8,738 | 7,195 | 4,679 | 1,599 | (1,571) |
| **Total equity** | **413,585** | **420,447** | **426,715** | **428,567** | **426,511** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 8,738 | 175,554 | 229,293 | 413,585 |
| **Adjusted opening balance** | ***8,738*** | ***175,554*** | ***229,293*** | ***413,585*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (1,543) | - | - | (1,543) |
| **Total comprehensive income** | ***(1,543)*** | ***-*** | ***-*** | ***(1,543)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection | - | - | 8,405 | 8,405 |
| **Closing balance attributable to the Australian Government** | ***7,195*** | ***175,554*** | ***237,698*** | ***420,447*** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 29,233 | 30,802 | 32,084 | 31,789 | 32,490 |
| Sale of goods | 98 | 15 | 15 | 15 | 15 |
| Rendering of services | 724 | 726 | 726 | 726 | 726 |
| Interest | 50 | 200 | 200 | 200 | 200 |
| Net GST received | 902 | 2,391 | 2,334 | 1,828 | 1,541 |
| Other | 764 | 785 | 785 | 785 | 785 |
| ***Total cash received*** | ***31,771*** | ***34,919*** | ***36,144*** | ***35,343*** | ***35,757*** |
| **Cash used** |  |  |  |  |  |
| Employees | 18,154 | 18,618 | 19,884 | 19,690 | 18,544 |
| Suppliers | 9,301 | 11,887 | 12,299 | 12,127 | 13,739 |
| Net GST paid | 70 | 2,391 | 2,334 | 1,828 | 1,541 |
| Interest payments on lease liability | 74 | 40 | 40 | 40 | 40 |
| ***Total cash used*** | ***27,599*** | ***32,936*** | ***34,557*** | ***33,685*** | ***33,864*** |
| **Net cash from/(used by) operating activities** | **4,172** | **1,983** | **1,587** | **1,658** | **1,893** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Investments | - | 1,000 | 500 | - | - |
| ***Total cash received*** | ***-*** | ***1,000*** | ***500*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 2,118 | 9,415 | 9,494 | 5,642 | 1,824 |
| Investments | 5.000 | - | - | - | - |
| ***Total cash used*** | ***7,118*** | ***9,415*** | ***9,494*** | ***5,642*** | ***1,824*** |
| **Net cash from/(used by) investing activities** | ***(7,118)*** | ***(8,415)*** | ***(8,994)*** | ***(5,642)*** | ***(1,824)*** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 4,327 | 8,405 | 8,784 | 4,932 | 1,114 |
| ***Total cash received*** | ***4,327*** | ***8,405*** | ***8,784*** | ***4,932*** | ***1,114*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 819 | 647 | 647 | 607 | 647 |
| ***Total cash used*** | ***819*** | ***647*** | ***647*** | ***607*** | ***647*** |
| **Net cash from/(used by) financing activities** | **3,508** | **7,758** | **8,137** | **4,325** | **467** |
| **Net increase/(decrease) in cash held** | **562** | **1,326** | **730** | **341** | **536** |
| Cash and cash equivalents at the beginning of the reporting period | 920 | 1,482 | 2,808 | 3,538 | 3,879 |
| **Cash and cash equivalents at the end of the reporting period** | **1,482** | **2,808** | **3,538** | **3,879** | **4,415** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 4,327 | 8,405 | 8,784 | 4,932 | 1,114 |
| **Total new capital appropriations** | **4,327** | **8,405** | **8,784** | **4,932** | **1,114** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | *4,327* | *8,405* | *8,784* | *4,932* | *1,114* |
| **Total items** | ***4,327*** | ***8,405*** | ***8,784*** | ***4,932*** | ***1,114*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 2,118 | 8,405 | 8,784 | 4,932 | 1,114 |
| Funded internally from Departmental resources (b) | - | 1,010 | 710 | 710 | 710 |
| **TOTAL** | **2,118** | **9,415** | **9,494** | **5,642** | **1,824** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes purchases from current and previous years’ Departmental capital budgets (DCBs).

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 8,355 | 48,604 | 4,899 | 337,089 | 4,653 | 403,600 |
| Gross book value - ROU assets | - | 5,468 | 74 | - | - | 5,542 |
| Accumulated depreciation/amortisation and impairment | - | - | (1) | - | (4,274) | (4,275) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (2,419) | (28) | - | - | (2,447) |
| **Opening net book balance** | **8,355** | **51,653** | **4,944** | **337,089** | **379** | **402,420** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | 500 | 7,885 | 820 | 210 | 9,415 |
| By purchase - appropriation equity - ROU assets | - | 657 | - | - | - | 657 |
| Assets received as gifts/donations | - | - | - | 2,770 | - | 2,770 |
| **Total additions** | **-** | **1,157** | **7,885** | **3,590** | **210** | **12,842** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation expense | **-** | (1,947) | (1,567) | (1,936) | (226) | (5,676) |
| Depreciation/amortisation on ROU assets | - | (620) | - | - | - | (620) |
| **Total other movements** |  | **(2,567)** | **(1,567)** | **(1,936)** | **(226)** | **(6,296)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 8,355 | 49,104 | 12,784 | 340,679 | 4,863 | 415,785 |
| Gross book value - ROU assets | - | 6,125 | 74 | - | - | 6,199 |
| Accumulated depreciation/ amortisation and impairment | - | (1,947) | (1,568) | (1,936) | (4,500) | (9,951) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (3,039) | (28) | - | - | (3,067) |
| **Closing net book balance** | **8,355** | **50,243** | **11,262** | **338,743** | **363** | **408,966** |

|  |  |
| --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | **$’000** |
| Operations and Maintenance | 3,560 |
| Preservation and Conservation | 5,229 |
| **Total operating expenditure on heritage and cultural assets** | **8,789** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDAB.

National Gallery of Australia

Entity resources and planned performance

National Gallery of Australia

[Section 1: Entity overview and resources 379](#_Toc98956579)

[1.1 Strategic direction statement 379](#_Toc98956580)

[1.2 Entity resource statement 380](#_Toc98956581)

[1.3 Budget measures 380](#_Toc98956582)

[Section 2: Outcomes and planned performance 381](#_Toc98956583)

[2.1 Budgeted expenses and performance for Outcome 1 382](#_Toc98956584)

[Section 3: Budgeted financial statements 391](#_Toc98956585)

[3.1 Budgeted financial statements 391](#_Toc98956586)

[3.2 Budgeted financial statements tables 392](#_Toc98956587)

# National Gallery of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

As Australia’s leading visual arts institution, the National Gallery of Australia (the National Gallery) is recognised as the heart of the nation’s visual culture, representing Australia’s people, its ideas and aesthetic expression, its histories and broader relationship to the world, as expressed through its art. The National Gallery plays an important role in the service of all Australians through its base in Canberra, in its touring exhibition program, its extensive collection loan programs, online education and outreach programs, and through its cultural diplomacy role in support of the Federal Government’s international priorities.

**Vision**

To be the international reference point for art in Australia, inspiring all people to explore, experience and learn.

**Functions**

The *National Gallery Act (1975)* expresses the functions of the National Gallery as being to:

* develop and maintain a national collection of works of art
* exhibit, or make available for exhibition by others, works of art from the national collection or works of art that are otherwise in possession of the National Gallery
* use every endeavour to make the most advantageous use of the national collection in the national interest.

The National Gallery’s priorities over the next four years are focussed on the themes of Distinct Identity, Connection, Collection and Capability.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the National Gallery 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 the National Gallery’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: National Gallery resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **56,107** | **89,590** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 49,592 | 48,045 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 57,815 | 17,043 |
| Total annual appropriations | 107,407 | 65,088 |
| **Total funds from Government** | **107,407** | **65,088** |
| **Funds from other sources** |  |  |
| Interest | 715 | 750 |
| Sale of goods and services | 4,954 | 5,683 |
| Dividends | 975 | 489 |
| Contributions (c) | 6,906 | 7,299 |
| Other | 1,208 | 1,506 |
| **Total funds from other sources** | **14,758** | **15,727** |
| **Total net resourcing for the National Gallery** | **178,272** | **170,405** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 212 | 217 |

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, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

(c) Contributions includes non-cash revenue associated with sponsorship-in-kind arrangements.

The National Gallery 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 (a non-corporate Commonwealth entity), which are then paid to the National Gallery and considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures relating to the National Gallery for the 2022-23 October 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 the National Gallery can be found at:  https://nga.gov.au/about-us/policies-and-plans/  The most recent annual performance statement can be found at: https://nga.gov.au/about-us/reports/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally |

##### **Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Collection development, management, access and promotion** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 49,592 | 48,045 | 46,473 | 46,944 | 47,242 |
| Expenses not requiring appropriation in the Budget year (a) | 17,699 | 18,680 | 18,646 | 18,704 | 18,706 |
| Revenues from other independent sources (b) | 13,524 | 13,226 | 18,227 | 21,930 | 22,201 |
| **Total expenses for Program 1.1** | **80,815** | **79,951** | **83,346** | **87,578** | **88,149** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 49,592 | 48,045 | 46,473 | 46,944 | 47,242 |
| Expenses not requiring appropriation in the Budget year (a) | 17,699 | 18,680 | 18,646 | 18,704 | 18,706 |
| Revenues from other independent sources (b) | 13,524 | 13,226 | 18,227 | 21,930 | 22,201 |
| **Total expenses for Outcome 1** | **80,815** | **79,951** | **83,346** | **87,578** | **88,149** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 212 |  |

1. Expenses not requiring appropriation in the Budget year reflects depreciation expenses on the national collection and lease arrangements under AASB 16 Leases.
2. Revenue from independent sources includes non-cash revenue associated with sponsorship-in-kind arrangements.

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

The achievement of many of the National Gallery’s 2021-22 performance measures have been heavily impacted by disruptions associated with COVID-19. These include the National Gallery being closed to the public and schools for 16% of the financial year, cancellations across the national touring program, resourcing and supply chain issues, as well as domestic and international border closures. In this document, actual performance against COVID-19-affected measures is reported as either substantially met or delayed. Full details on actual performance results are published in the National Gallery’s 2021-22 Annual Report.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally | | |
| **Program 1.1 – Collection development, management, access and promotion**  The National Gallery aims to build and maintain an outstanding national collection of works of art, providing access locally, nationally, and internationally. | | |
| **Key Activities** | Reach and connect with the widest possible audience on site, online and on tour through an accessible, inclusive and diverse artistic program | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 | Develop a 3-5 year forward artistic program, inclusive of touring, by 30 June 2022 | Delayed |
| Interpretation Plan developed for each major exhibition and tour | Target met |
| >90% audience expectations rating met or exceeded | Target met |
| >95% onsite audiences rating their visit at highly or quite satisfactory | Actual: 93%  Target not met |
| 700 works on loan | Actual: 697  Target not met |
| Two major commissions | Target met |
| >2 meetings of the Artists Advisory Group held | Target not met |
| >20 artists working as part of National Gallery exhibitions and/or programs | Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 cont. | Two artist-led programs and projects launched | Target met |
| Two major curatorial, conservation or learning research projects that connect with Australian and international partners | Target met |
|  | >20% of local area population attend National Gallery touring exhibition when presented in a rural, regional or remote location | Actual: 6%  Target not met |
| Year on year growth in geographic reach of learning programs | Target met |
| Year on year growth in learning program participation | Actual: Drop of 59% from last year. Target not met |
| >15% onsite visitors are first-time visitors | Target met |
| Develop a baseline of attendance by under-represented audience demographics | Target met |
| National Digital Learning Program developed and launched by January 2022 | Target met |
| Year on year growth in total audience numbers through onsite, on tour and online visitation. | Actual: Onsite visitation: 363,182  Target not met  Actual: On tour visitation: 193,531  Target met  Actual: Online visitation: 4,606,370  Target not met |
| New National Gallery website launched by December 2021 | Target met |
| Commence the release of refreshed National Gallery visual identity by November 2021 | Target met |
| Year on year growth in average session length and pages per visit for web traffic to the collection, learning, research and creative content areas of the site | Target met |
| Year on year growth in total number of visitors participating in digital events and accessing audio tours | Target not met |
| Year on year growth across all social media followers | Target met |
| Year on year growth in audience members opting in to receive communications from the National Gallery | Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 cont. | Acquire 10 major works of art by contemporary artists | Target met |
| Acquire 10 major works of art by First Nations artists | Target met |
| Gender equity across all acquisitions | Target met |
| Year on year reduction in total number of outstanding provenance issues | Target met |
| Ethics framework by July 2021 | Target met |
| Ethics Advisory Group by July 2021 | Target met |
| > 1800 conservation treatments conducted per annum | Target met |
| Digitise the acquisition process by 30 June 2022 | Actual: Stage 1 completed  Delayed |
| All new acquisitions are documented and digitised in accordance with accepted international and national cataloguing standards. | Target met |
| Research and develop a storage strategy for the national collection by 30 June 2022 | Delayed |
| Establish and implement:   * Reconciliation Action Plan by December 2021 * Indigenous Advisory Group by December 2021 | Delayed |
| Nil instances of missed major milestones in RAP | Target not met |
| Year on year growth in total number of employees who identify as First Nations | Target met |
| Year on year growth in total number of staff trained in cultural awareness and safety | Target met |
| Establish and implement:   * Gender Equity Action Plan (GEAP) by August 2021 * Disability Inclusion Action Plan (DIAP) by December 2021 * Artists Advisory Group by December 2021 | Actual: GEAP and DIAP met in 2022  Delayed  Artist Advisory Group  Delayed |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 cont. | Nil instances of missed major milestones in GEAP and DIAP | Target met |
| At least one Australian artist exhibited internationally because of National Gallery support between 2021-22 and 2025-26 (excluding National Gallery collection artwork loans) | Target met |
| At least four publications created between 2021-22 and 2025-26 featuring Australian artists, with international distribution of these | Target met |
| At least three audience engagement impact studies completed between 2021-22 and 2025-26 | Target met |
| National Art and Dementia Online Resource launched by 31 July 2022. | Actual: In development  Delayed |
|  | Nil instances of missed Capital Works Program major milestones | Actual: 28 of 31 project milestones completed  Target not met |
| Council satisfaction with progress made on Capital Works Program | Target met |
| Strategic Asset Management Plan review completed by 30 June 2022 | Target met |
| Nil instances of unplanned closure of gallery spaces due to maintenance needs | Actual: One unplanned gallery closure  Target not met |
| Landscape renewal program of works approved by 30 September 2021 | Target met |
| Environmental performance baseline developed by 30 June 2021 | Target met |
| Sustainability action plan developed by 30 September 2021 | Target met |
| Nil instances of missed major Strategic Asset Management Plan milestones | Target met |
| Year on year reduction in total environmental impact | Target met |
| Year on year growth in $ spent per FTE on learning and development activities | Target met |
| Staff absenteeism rate aligned with APS benchmarks | Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 cont. | >80% staff trained in MS Teams and SharePoint | Actual: 26%  Target not met |
| Implementation of Information Management and Governance Framework by 31 December 2022 | Target not met |
| Implementation of Procure to Pay by 1 July 2022 | Actual: first stage complete  Delayed |
| Updated 5-year financial strategy endorsed by Council by 31 December 2022 | Delayed |
| Grow commercial revenue by 10% over forward 4-year period | Delayed |
| 2% growth in private sector donations | Delayed |
| 2% growth in bequests | Actual: Increase from 58 to 59  Target not met |
| 2% growth in Corporate Partnerships (inclusive of both cash and in-kind donations) | Delayed |
| 2% growth in total number of National Gallery members | Delayed |
| Year on year growth increase in membership renewal rates | Delayed |
| Development of relationship management and nurturing strategy by 30 June 2022 | Target not met |
| >2 cross-institution or cross-government collaborations or knowledge sharing events | Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Approve Action Plans and deliver on commitments | * >80% action plan commitments met on time and on budget |
| Implement Ethical Decision-Making Framework | * Implementation of Ethical Decision-Making Framework by 31 July 2022 |
| Create strategic international and Australian partnerships | * 1 international partnership by 30 June 2023 * At least 1 Australian partnership per annum |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year  2022-23 cont. | Approve Artistic Program and deliver on commitments | * 2023-26 Artistic Program developed by 30 September 2022 * 2023-26 Artistic Program launched by 1 January 2023 * >80% 2023-26 Artistic Program commitments met on time and on budget * Formal protocol to embed First Nations Engagement across all relevant exhibitions and programs developed by 31 October 2022 |
| Refine the national collection consistent with acquisition strategies and deaccession strategies | * Deaccession plans developed by 31 December 2022 * 5% collection reviewed per annum * Acquisition Strategy finalised by 31 July 2022 * 100% acquisitions align with the National Gallery Vision |
|  | Mark the National Gallery’s 40th Anniversary | * At least 1 major 40th Anniversary Commission announced by October 2022 * 100% attendance targets met for 40th Anniversary exhibitions and events * 95% audiences rate satisfaction in our 40th year as either ‘highly satisfactory’ or ‘quite satisfactory’ |
| Grow and expand access and engagement with the national collection | * 90% total audiences comprised of offsite (non-Parkes Gallery) audiences * 10% increase on prior year online audience * 10% increase in prior year pages per visit for Online Collection web sessions * At least 1 new regional tour held per year * 700 outward loans processed per annum |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 cont. | Present international projects to raise the profile of Australian Art | * At least 1 project presented internationally |
| Innovate audience engagement through enhanced digital infrastructure and system integrations | * Deliver phase 2 of the institutional website by 31 December 2022 * Deliver integrated digital platform by 30 June 2023 * Develop interactive digital toolkit to support onsite interpretive experiences by June 2023 |
| Implement livestreaming to increase online engagement | * 10 livestream events that are available on National Gallery and 3rd party digital platforms per annum * 75% of livestream events are accessible * 100 new content items published (including online articles, videos, audios, virtual tours and digital publications) * 10% growth on prior year on demand video views and audience listens * 15% growth on prior year total article, virtual tour and digital publication views |
|  | Approve storage strategy and deliver on commitments | * Storage Strategy finalised by 30 June 2023 * >80% national collection stored in line with international standards |
| Strengthen ethical collection management, including through conservation research | * 100% acquisitions subject to Ethics Framework, as well as the Art Acquisitions, and Due Diligence and Provenance Policies * 100% deaccessions subject to Ethics and Deaccession Frameworks, as well as Due Diligence and Provenance Policy * 100% provenance data in the collection management system resolved by 31 July 2022 * At least 1 Conservation Research Project completed per annum * >2000 conservation treatments conducted per annum |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 cont. | Activate the national collection by prioritising learning | * 25% growth on prior year learning resource downloads * 50% growth on prior year, user-created resource lists * >5% growth on prior year number of teachers reporting relevance to the classroom curriculum * At least one impact study on learning initiatives per annum |
| Expand research partnerships that advance visual arts scholarship | * At least 1 domestic research partnership developed by 30 June 2024 * At least 1 international research project developed by 30 June 2024 |
|  | Deliver on HR Roadmap commitments | * >90% commitments in HR Roadmap met on time and on budget |
| Conduct capability assessment and develop and implement capability action plan | * Capability Assessment conducted by 31 December 2023 * Capability Action Plan developed and launched by 30 June 2024 |
| Pursue Landscape Renewal Project | * Landscape Renewal Project Plan developed by 31 December 2022 * >80% Project Plan commitments met on time and on budget |
| Delivery capital works and facilities program of works | * >90% capital works projects delivered on time and on budget |
| Update and implement 5-year Financial Sustainability Strategy | * >90% Financial Sustainability Strategy commitments met on time and on budget, with planned outcomes achieved |
| Develop Foundation Fundraising Strategy and deliver on commitments | * Fundraising Strategy developed by 31 December 2022 * At least 2% growth on prior year in private sector funding |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the National Gallery finances for the 2022-23 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

The National Gallery is budgeting for an operating surplus of $7.5 million in the Budget and forward years. This surplus represents estimated gains which reflect the value of gifts of works of art and cash donations tied to the purchase of works of arts.

The forward year estimates illustrate a phased growth of own source revenue and a balanced budget after adjusting for $7.5 million of gains as described above. Achievement of the forward years’ estimates will depend upon the continued economic volatility due to COVID-19.

The National Gallery’s net assets are estimated to be $7.5 billion at 30 June 2023. The national collection and the National Gallery’s land and buildings make up 99% of this value. Net assets are forecast to increase in 2022-23 with equity injections totalling $17.0 million for the acquisition of collection. This is augmented by gifts for, and of, works of art, offset by depreciation.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 25,394 | 25,911 | 26,429 | 26,957 | 27,497 |
| Suppliers | 25,741 | 25,450 | 28,327 | 32,031 | 32,062 |
| Depreciation and amortisation | 28,854 | 28,525 | 28,525 | 28,525 | 28,525 |
| Write-down and impairment of assets | 826 | 65 | 65 | 65 | 65 |
| **Total expenses** | **80,815** | **79,951** | **83,346** | **87,578** | **88,149** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 4,954 | 5,683 | 9,737 | 12,873 | 13,067 |
| Contributions | 6,906 | 7,299 | 7,780 | 8,347 | 8,424 |
| Interest | 715 | 750 | 750 | 750 | 750 |
| Dividends | 975 | 489 | 489 | 489 | 489 |
| Other | 1,208 | 1,506 | 1,971 | 1,971 | 1,971 |
| **Total own-source revenue** | **14,758** | **15,727** | **20,727** | **24,430** | **24,701** |
| **Gains** |  |  |  |  |  |
| Other | 1,756 | 5,000 | 5,000 | 5,000 | 5,000 |
| **Total gains** | **1,756** | **5,000** | **5,000** | **5,000** | **5,000** |
| **Total own-source income** | **16,514** | **20,727** | **25,727** | **29,430** | **29,701** |
| **Net (cost of)/contribution by services** | **(64,301)** | **(59,224)** | **(57,619)** | **(58,148)** | **(58,448)** |
| Revenue from Government | 49,592 | 48,045 | 46,473 | 46,944 | 47,242 |
| **Surplus/(deficit) attributable to the Australian Government** | **(14,709)** | **(11,179)** | **(11,146)** | **(11,204)** | **(11,206)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 772,655 | - | - | - | - |
| **Total other comprehensive income** | **772,655** | **-** | **-** | - | - |
| **Total comprehensive income/(loss)** | **757,946** | **(11,179)** | **(11,146)** | **(11,204)** | **(11,206)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **757,946** | **(11,179)** | **(11,146)** | **(11,204)** | **(11,206)** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **757,946** | **(11,179)** | **(11,146)** | **(11,204)** | **(11,206)** |
| plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a) | 17,860 | 18,706 | 18,706 | 18,706 | 18,706 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 292 | 122 | 213 | 201 | 231 |
| less: lease principal repayments (b) | (453) | (149) | (273) | (203) | (231) |
| **Net cash operating surplus/ (deficit)** | **775,645** | **7,500** | **7,500** | **7,500** | **7,500** |

Prepared on Australian Accounting Standards basis.

1. From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 89,590 | 30,000 | 30,000 | 30,000 | 30,000 |
| Investments | 55,762 | 92,405 | 72,977 | 59,712 | 53,792 |
| Trade and other receivables | 1,555 | 1,506 | 1,506 | 1,506 | 1,506 |
| Other financial assets | 219 | 237 | 237 | 237 | 237 |
| ***Total financial assets*** | ***147,126*** | ***124,148*** | ***104,720*** | ***91,455*** | ***85,535*** |
| **Non-financial assets** |  |  |  |  |  |
| Heritage and Cultural | 6,857,301 | 6,863,138 | 6,869,716 | 6,876,574 | 6,883,627 |
| Land and buildings | 469,329 | 491,347 | 511,724 | 525,891 | 532,106 |
| Property, plant and equipment | 6,189 | 6,189 | 6,189 | 6,189 | 6,189 |
| Intangibles | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 |
| Inventories | 665 | 350 | 350 | 350 | 350 |
| Other non-financial assets | 493 | 425 | 425 | 425 | 425 |
| ***Total non-financial assets*** | ***7,335,415*** | ***7,362,887*** | ***7,389,842*** | ***7,410,867*** | ***7,424,135*** |
| **Total assets** | **7,482,541** | **7,487,035** | **7,494,562** | **7,502,322** | **7,509,670** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 5,176 | 4,512 | 5,015 | 5,663 | 5,668 |
| Other payables | 2,526 | 1,976 | 2,138 | 2,233 | 2,332 |
| ***Total payables*** | ***7,702*** | ***6,488*** | ***7,153*** | ***7,896*** | ***8,000*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 328 | 204 | 215 | 155 | 124 |
| ***Total interest bearing liabilities*** | ***328*** | ***204*** | ***215*** | ***155*** | ***124*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 5,932 | 5,900 | 6,113 | 6,331 | 6,553 |
| ***Total provisions*** | ***5,932*** | ***5,900*** | ***6,113*** | ***6,331*** | ***6,553*** |
| **Total liabilities** | **13,962** | **12,592** | **13,481** | **14,382** | **14,677** |
| **Net assets** | **7,468,579** | **7,474,443** | **7,481,081** | **7,487,940** | **7,494,993** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 452,969 | 470,012 | 487,796 | 505,860 | 524,119 |
| Reserves | 6,453,814 | 6,453,814 | 6,453,814 | 6,453,814 | 6,453,814 |
| Retained surplus | 561,796 | 550,617 | 539,471 | 528,266 | 517,060 |
| **Total equity** | **7,468,579** | **7,474,443** | **7,481,081** | **7,487,940** | **7,494,993** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 561,796 | 6,453,814 | 452,969 | 7,468,579 |
| ***Adjusted opening balance*** | ***561,796*** | ***6,453,814*** | ***452,969*** | ***7,468,579*** |
| **Comprehensive income** |  |  |  |  |
| Deficit for the period | (11,179) | - | - | (11,179) |
| ***Total comprehensive income*** | ***(11,179)*** | ***-*** | ***-*** | ***(11,179)*** |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 17,043 | 17,043 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***17,043*** | ***17,043*** |
| **Estimated closing balance as at 30 June 2023** | **550,617** | **6,453,814** | **470,012** | **7,474,443** |
| **Closing balance attributable to the Australian Government** | **550,617** | **6,453,814** | **470,012** | **7,474,443** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 49,925 | 48,045 | 46,473 | 46,944 | 47,242 |
| Sale of goods and rendering of services | 4,291 | 7,038 | 11,511 | 14,821 | 15,038 |
| Interest | 727 | 732 | 750 | 750 | 750 |
| Dividends | 854 | 489 | 489 | 489 | 489 |
| Net GST received | 3,413 | 1,203 | 943 | 1,125 | 1,170 |
| Other | 6,919 | 8,219 | 9,751 | 10,317 | 10,395 |
| ***Total cash received*** | ***66,129*** | ***65,726*** | ***69,917*** | ***74,446*** | ***75,084*** |
| **Cash used** |  |  |  |  |  |
| Employees | 24,998 | 25,830 | 26,053 | 26,645 | 27,176 |
| Suppliers | 29,017 | 28,304 | 30,606 | 34,521 | 35,263 |
| Other | 173 | 77 | - | - | - |
| ***Total cash used*** | ***54,188*** | ***54,211*** | ***56,659*** | ***61,166*** | ***62,439*** |
| **Net cash from operating activities** | **11,941** | **11,515** | **13,258** | **13,280** | **12,645** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Investments | 41,297 | 80,000 | 80,000 | 80,000 | 80,000 |
| ***Total cash received*** | ***41,297*** | ***80,000*** | ***80,000*** | ***80,000*** | ***80,000*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment, intangibles and works of art | 25,037 | 51,231 | 50,207 | 44,347 | 36,562 |
| Investments | 52,245 | 116,644 | 60,573 | 66,735 | 74,080 |
| ***Total cash used*** | ***77,282*** | ***167,875*** | ***110,780*** | ***111,082*** | ***110,642*** |
| **Net cash used by investing activities** | **(35,985)** | **(87,875)** | **(30,780)** | **(31,082)** | **(30,642)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Collection Development Acquisition Budget | 16,827 | 17,043 | 17,784 | 18,064 | 18,259 |
| Capital Injection | 40,988 | - | - | - | - |
| ***Total cash received*** | ***57,815*** | ***17,043*** | ***17,784*** | ***18,064*** | ***18,259*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 288 | 273 | 262 | 262 | 262 |
| ***Total cash used*** | ***288*** | ***273*** | ***262*** | ***262*** | ***262*** |
| **Net cash from financing activities** | **57,527** | **16,770** | **17,522** | **17,802** | **17,997** |
| **Net (decrease) in cash held** | **33,483** | **(59,590)** | **-** | **-** | **-** |
| Cash at the beginning of the reporting period | 56,107 | 89,590 | 30,000 | 30,000 | 30,000 |
| **Cash at the end of the reporting period** | **89,590** | **30,000** | **30,000** | **30,000** | **30,000** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 57,815 | 17,043 | 17,784 | 18,064 | 18,259 |
| **Total new capital appropriations** | **57,815** | **17,043** | **17,784** | **18,064** | **18,259** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 57,815 | 17,043 | 17,784 | 18,064 | 18,259 |
| **Total items** | **57,815** | **17,043** | **17,784** | **18,064** | **18,259** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 20,667 | 35,365 | 34,364 | 30,253 | 24,243 |
| Funded internally from Departmental resources (b) | 6,113 | 20,866 | 20,843 | 19,095 | 17,318 |
| **TOTAL** | **26,780** | **56,231** | **55,207** | **49,348** | **41,561** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 26,780 | 56,231 | 55,207 | 49,348 | 41,561 |
| less gifted assets | (1,743) | (5,000) | (5,000) | (5,000) | (5,000) |
| **Total cash used to acquire assets** | **25,037** | **51,231** | **50,207** | **44,348** | **36,561** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4 appropriations. Includes movement of capital expenditure from 2020-21 and 2021-22 to 2021-22, 2022-23 and 2023-24.
2. Includes acquisitions funded through appropriation ordinary annual services, cash reserves, donations and contributions, gifts of works of art and grants.

Table 3.6: Statement of asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 26,175 | 443,122 | 7,561 | 6,857,307 | 2,330 | 7,336,495 |
| Gross book value - ROU assets | - | 1,052 | 76 | - | - | 1,128 |
| Accumulated depreciation/ amortisation and impairment | - | (268) | (1,389) | (6) | (892) | (2,555) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (752) | (59) | - | - | (811) |
| **Opening net book balance** | **26,175** | **443,154** | **6,189** | **6,857,301** | **1,438** | **7,334,257** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity(a) | - | 18,322 | - | 17,043 | - | 35,365 |
| By purchase - appropriation ordinary annual services (b) | - | 7,889 | 3,836 | - | 1,641 | 13,366 |
| By purchase - appropriation  Ordinary annual services - ROU assets | - | 149 | - | - | - | 149 |
| By purchase – donated funds | - | - | - | 2,500 | - | 2,500 |
| Assets received as gifts/donations | - | - | - | 5,000 | - | 5,000 |
| **Total additions** | **-** | **26,360** | **3,836** | **24,543** | **1,641** | **56,380** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation expense | - | (4,220) | (3,836) | (18,706) | (1,641) | (28,403) |
| Depreciation/amortisation on ROU assets | - | (122) | - | - | - | (122) |
| **Total other movements** | **-** | **(4,342)** | **(3,836)** | **(18,706)** | **(1,641)** | **(28,525)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 26,175 | 469,482 | 11,398 | 6,881,850 | 3,971 | 7,392,876 |
| Gross book value - ROU assets | - | 1,052 | 76 | - | - | 1,128 |
| Accumulated depreciation/ amortisation and impairment | - | (4,488) | (5,226) | (18,712) | (2,533) | (30,959) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (874) | (59) | - | - | (933) |
| **Closing net book balance** | **26,175** | **465,172** | **6,189** | **6,863,138** | **1,438** | **7,362,112** |

|  |  |
| --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | **$’000** |
| Operations and Maintenance | 3,165 |
| Preservation and Conservation | 2,671 |
| **Total operating expenditure on heritage and cultural assets** | **5,836** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022‑23, including CDABs.
2. Includes acquisitions funded through appropriation ordinary annual services, cash reserves, contributions, and grants

National Library of Australia

Entity resources and planned performance

National Library of Australia

[Section 1: Entity overview and resources 403](#_Toc114662683)

[1.1 Strategic direction statement 403](#_Toc114662684)

[1.2 Entity resource statement 404](#_Toc114662685)

[1.3 Budget measures 404](#_Toc114662686)

[Section 2: Outcomes and planned performance 405](#_Toc114662687)

[2.1 Budgeted expenses and performance for Outcome 1 406](#_Toc114662688)

[Section 3: Budgeted financial statements 409](#_Toc114662689)

[3.1 Budgeted financial statements 409](#_Toc114662690)

[3.2 Budgeted financial statements tables 410](#_Toc114662691)

# National Library of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

The functions of the National Library of Australia (NLA), as defined in the National Library Act 1960, are to:

* maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people
* make library material in the national collection available
* make available such other services in relation to library matters and library material as determined by the National Library Council
* cooperate in library matters with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

The NLA is committed to collecting documentary resources, particularly relating to Australia and the Australian people, so that the Australian community — now and in the future — can discover, learn and create new knowledge. Further, the NLA is committed to providing open access to the national collection and its online services. Australians—whoever they are and wherever they live—should be able to easily discover and obtain the information they are seeking and to engage with rich digital content to support their lifelong learning.

The NLA actively supports creative and intellectual endeavour and the dissemination of knowledge, ideas and information. The NLA has a strong national focus in its outlook, services, products and activities and takes a leadership role in sharing expertise and coordinating key projects across the research, collecting and cultural sectors.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NLA 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 the NLA’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: NLA resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **77,806** | **76,708** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services |  |  |
| Outcome 1 (a) | 57,493 | 60,989 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 9,566 | 9,650 |
| Total annual appropriations | 67,059 | 70,639 |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (c) | 1,101 | 1,790 |
| Amounts from other entities (d) | 60 | 60 |
| Total amounts received from related entities | 1,161 | 1,850 |
| **Total funds from Government** | **68,220** | **72,489** |
| **Funds from other sources** |  |  |
| Interest | 389 | 746 |
| Royalties | 85 | 35 |
| Sale of goods and services | 6,853 | 6,481 |
| Other | 5,834 | 7,579 |
| **Total funds from other sources** | **13,161** | **14,841** |
| **Total net resourcing for NLA** | **159,187** | **164,038** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 341 | 371 |

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.

1. Appropriation Bill (No.1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Appropriation Bill (No. 2) 2022, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.
3. Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to the NLA.
4. Amounts received from other entities within the portfolio, or from other portfolios.

The NLA 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 (a non-corporate Commonwealth entity), which are then paid to the NLA and considered ‘departmental’ for all purposes

1.3 Budget measures

There are no measures relating to the NLA for the 2022-23 October 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 measure 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 the National Library of Australia can be found at: https://www.nla.gov.au/corporate-documents/corporate-plans  The most recent annual performance statement can be found at: https://www.nla.gov.au/corporate-documents/annual-reports |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material |

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated Actual $'000 | 2022-23 Revised Budget $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: National Library of Australia** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 57,493 | 60,989 | 48,033 | 48,370 | 48,600 |
| Payment from related entities | 1,161 | 1,850 | 1,950 | - | - |
| Expenses not requiring appropriation in the Budget year (a) | 6,379 | 9,179 | 9,189 | 9,223 | 9,215 |
| Revenues from other independent sources | 13,161 | 14,841 | 7,962 | 7,212 | 6,462 |
| **Total expenses for Program 1.1** | **78,194** | **86,859** | **67,134** | **64,805** | **64,277** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 57,493 | 60,989 | 48,033 | 48,370 | 48,600 |
| Payment from related entities | 1,161 | 1,850 | 1,950 | - | - |
| Expenses not requiring appropriation in the Budget year (a) | 6,379 | 9,179 | 9,189 | 9,223 | 9,215 |
| Revenues from other independent sources | 13,161 | 14,841 | 7,962 | 7,212 | 6,462 |
| **Total expenses for Outcome 1** | **78,194** | **86,859** | **67,134** | **64,805** | **64,277** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 341 | 371 |

1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses related to collection assets which are funded through an equity injection; and resources received free of charge

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |
| --- | --- |
| **Outcome 1** – Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material | |
| **Program 1.1 – National Library of Australia**  The NLA delivers this program in the following ways:   * We collect today what will be important tomorrow for Australia’s increasingly diverse community. * We connect with communities and connect communities with their national collections. * We collaborate with others to deepen the national impact of cultural collections. * We build on strong foundations to maximise the nation’s return on its investment in the NLA. | |
| **Key Activities** | Key activities reported in the current corporate plan that relate to this program.  **Collect:** ensure the NLA collection remains relevant to Australians in all their diversity, now and into the future; create pathways to collect emerging digital material while continuing to collect published Australian works and expand our collection of pictures, manuscripts and oral histories; work with Indigenous communities, and culturally and linguistically diverse communities, to ensure our collection reflects their stories in culturally appropriate ways.  **Connect:** inspire Australians to explore voices and stories in the national collection; enable research and the discovery of new ideas by delivering accessible services and programs; extend national reach and engage new audiences, increase the diversity of Australians participating in onsite and digital experiences.  **Collaborate:** expand and deepen content in Trove – an essential pillar in Australia’s cultural and research infrastructure; increase engagement with Australians; identify opportunities for collaboration with national cultural institutions and other partners; maintain a leading role in National and State Libraries Australasia.  **Capability:** use financial and other resources as intended to develop and safeguard our collection; invest strongly to reshape and develop our workforce, and continue to acquire and develop the skills, knowledge and experience that will be needed for a dynamic organisation with a strong digital and physical presence; manage our heritage building responsibly; continue to invest in physical and digital infrastructure to ensure our physical and digital capability is responsive, reliable, sustainable, trusted and secure. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Collect: A rich, diverse national collection relevant to Australians | Target: 30,000 Australian published works collected, including digital.  Actual: 27,048  Target not met |
| Connect: National reach (a) | Target: 27 million online engagements with the NLA.  Actual: 22,644,472  Target not met |
| Collaborate: Trusted as a leader, collaborator and partner by relevant stakeholders leader, collaborator and/or partner | Target: 90% of stakeholders identify the NLA as a trusted leader, collaborator and/or partner.  Actual: 100%  Target met |
| Capability: Technology infrastructure and capabilities are sustainable and affordable, trusted and secure, resilient and highly reliable | Target: 99.5% availability of National Library and Trove websites in supported hours  Actual: 99.7%  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Collect: A rich, diverse national collection relevant to Australians | 30,000 Australian published works collected, including digital |
| Connect: National reach | 27 million digital engagements with the NLA |
| Collaborate: Trusted as a leader, collaborator and partner by relevant stakeholders leader, collaborator and/or partner (b) | 900 Trove partners and content providers |
| Forward Estimates  2023-26 | As per 2022-23 PBS | As per 2022-23 (quantitative targets subject to change) |

1. NLA varied this measure from ‘online’ to ‘digital’ engagements for 2021-22, to include international as well as national engagements with the Library, social media and third-party website engagements where national and international users cannot be differentiated.
2. NLA has changed the performance target for this performance measure in 2022-23 to provide a better reflection of achievement.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NLA finances for the 2022-23 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

Budgeted income for 2022–23 is estimated to be $77.7 million, of which $61.0 million is appropriation revenues. Increase of revenues from Government from $57.5 million in 2021-22, reflects one-off funding to progress the upgrade and replacement of the end of life Heating Ventilation and Air Conditioning system.

Total own‑source revenue is expected to be $2.4 million higher than 2021–22 mainly due to revenue recognised from grant funding for replacement of the Library’s windows and heating ventilation and air conditioning system that have been delayed and moved from 2021-22 to 2022-23.

Total gains are expected to be $19.8 million lower than 2021-22 mainly due to a reversal of impairment on heritage and cultural assets following an asset valuation in 2021-22.

Total budgeted operating expenses for 2022–23 are estimated to be $86.9 million, an increase of $8.7 million from the 2021-22 estimated actual in line with the increase in revenue.

**Budgeted departmental balance sheet**

The NLA’s total assets are estimated to be $1.6 billion at 30 June 2023. This value mainly comprises the collection of heritage and cultural assets. The NLA will receive an equity injection of $9.7 million in 2022–23 for the acquisition of heritage and cultural assets (see Table 3.5 Departmental Capital Budget Statement).

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated Actual $'000 | 2022-23 Revised Budget $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 36,726 | 39,661 | 40,204 | 41,008 | 41,828 |
| Suppliers | 19,469 | 25,614 | 5,241 | 3,923 | 2,574 |
| Grants | 569 | 1,050 | 1,950 | - | - |
| Depreciation and amortisation | 19,884 | 20,356 | 19,559 | 19,694 | 19,695 |
| Finance costs | 18 | 23 | 25 | 25 | 25 |
| Write-down and impairment of assets | 1,510 | 155 | 155 | 155 | 155 |
| Losses from asset sales | 18 | - | - | - | - |
| **Total expenses** | **78,194** | **86,859** | **67,134** | **64,805** | **64,059** |
| **LESS:** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 6,853 | 6,481 | 5,181 | 4,431 | 3,681 |
| Interest | 389 | 746 | 746 | 746 | 746 |
| Royalties | 85 | 35 | 35 | 35 | 35 |
| Other | 6,995 | 9,429 | 3,950 | 2,000 | 2,000 |
| **Total own-source revenue** | **14,332** | **16,691** | **9,912** | **7,212** | **6,462** |
| **Gains** |  |  |  |  |  |
| Other | 20,498 | 700 | 700 | 700 | 700 |
| **Total gains** | **20,498** | **700** | **700** | **700** | **700** |
| **Total own-source income** | **34,820** | **17,391** | **10,612** | **7,912** | **7,162** |
| **Net (cost of)/contribution by services** | **(43,374)** | **(69,468)** | **(56,522)** | **(56,893)** | **(57,115)** |
| Revenue from Government | 57,493 | 60,989 | 48,033 | 48.3706 | 48,600 |
| **Surplus/(deficit) attributable to the Australian Government** | **14,119** | **(8,479)** | **(8,489)** | **(8,523)** | **(8,515)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **14,119** | **(8,479)** | **(8,489)** | **(8,523)** | **(8,515)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of Comprehensive Income** | **14,119** | **(8,479)** | **(8,489)** | **(8,523)** | **(8,515)** |
| plus: depreciation/amortisation of assets funded through appropriations (Departmental capital budget funding and/or equity injections) (a) | 8,488 | 8,500 | 8,500 | 8,500 | 8,500 |
| plus: depreciation/amortisation expenses for ROU assets (b) | 965 | 1,004 | 1,004 | 1,139 | 1,140 |
| less: lease principal repayments (b) | (957) | (1,004) | (1,015) | (1,116) | (1,125) |
| **Net Cash Operating Surplus/ (Deficit)** | **22,615** | **21** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis

1. From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental capital budget statement
2. Applies to lease arrangements under AASB 16 Leases

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 8,399 | 9,417 | 9,417 | 9,417 | 9,417 |
| Trade and other receivables | 977 | 977 | 977 | 977 | 977 |
| Other investments | 68,309 | 67,094 | 66,136 | 65,235 | 64,324 |
| Other financial assets | 3,348 | 3,348 | 3,348 | 3,348 | 3,348 |
| ***Total financial assets*** | ***81,033*** | ***80,836*** | ***79,878*** | ***78,977*** | ***78,066*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 256,634 | 258,181 | 259,618 | 260,873 | 262,119 |
| Property, plant and equipment | 14,247 | 14,335 | 14,415 | 14,495 | 14,583 |
| Heritage and Cultural | 1,121,123 | 1,117,956 | 1,115,030 | 1,112,164 | 1,109,386 |
| Intangibles | 86,546 | 89,737 | 93,782 | 97,884 | 101,986 |
| Inventories | 530 | 530 | 530 | 530 | 530 |
| Prepayments | 1,742 | 1,742 | 1,742 | 1,742 | 1,742 |
| ***Total non-financial assets*** | ***1,480,822*** | ***1,482,481*** | ***1,485,117*** | ***1,487,688*** | ***1,490,346*** |
| **Total assets** | **1,561,855** | **1,563,317** | **1,564,995** | **1,566,665** | **1,568,412** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 4,574 | 4,574 | 4,574 | 4,584 | 4,584 |
| Other payables | 6,664 | 6,664 | 6,664 | 6,664 | 6,664 |
| ***Total payables*** | ***11,238*** | ***11,238*** | ***11,238*** | ***11,248*** | ***11,248*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 3,123 | 3,180 | 3,165 | 3,049 | 2,924 |
| ***Total interest-bearing liabilities*** | ***3,123*** | ***3,180*** | ***3,165*** | ***3,049*** | ***2,924*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 11,249 | 11,483 | 11,717 | 11,951 | 12,185 |
| Other provisions | 64 | 64 | 64 | 64 | 64 |
| ***Total provisions*** | ***11,313*** | ***11,547*** | ***11,781*** | ***12,015*** | ***12,249*** |
| **Total liabilities** | **25,674** | **25,965** | **26,184** | **26,312** | **26,421** |
| **Net assets** | **1,536,181** | **1,537,352** | **1,538,811** | **1,540,353** | **1,541,991** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 146,802 | 156,452 | 166,400 | 176,465 | 186,618 |
| Reserves | 201,269 | 201,269 | 201,269 | 201,269 | 201,269 |
| Retained surplus (accumulated deficit) | 1,188,110 | 1,179,631 | 1,171,142 | 1,162,619 | 1,154,104 |
| ***Total parent entity interest*** | ***1,536,181*** | ***1,537,352*** | ***1,538,811*** | ***1,540,353*** | ***1,541,991*** |
| **Total equity** | **1,536,181** | **1,537,352** | **1,538,811** | **1,540,353** | **1,541,991** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 1,188,110 | 201,269 | 146,802 | 1,536,181 |
| ***Adjusted opening balance*** | ***1,188,110*** | ***201,269*** | ***146,802*** | ***1,536,181*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (8,479) |  |  | (8,479) |
| ***Total comprehensive income*** | ***(8,479)*** | ***-*** | ***-*** | ***(8,479)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation |  |  | 9,650 | 9,650 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***9,650*** | ***9,650*** |
| **Estimated closing balance as at  30 June 2023** | **1,179,631** | **201,269** | **156,452** | **1,537,352** |
| **Closing balance attributable to the Australian Government** | **1,179,631** | **201,269** | **156,452** | **1,537,352** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations |  |  |  |  |  |
| Receipts from Government | 57,493 | 62,839 | 49,983 | 48,370 | 48,600 |
| Sale of goods and rendering of services | 5,641 | 7,437 | 5,837 | 5,019 | 4,201 |
| Interest | 389 | 746 | 746 | 746 | 746 |
| Net GST received | 3,150 | 3,027 | 1,708 | 1,671 | 1,626 |
| Other | 8,556 | 7,614 | 2,035 | 2,035 | 2,035 |
| ***Total cash received*** | ***75,229*** | ***81,663*** | ***60,309*** | ***57,841*** | ***57,208*** |
| **Cash used** |  |  |  |  |  |
| Employees | 37,382 | 39,427 | 39,970 | 40,774 | 41,594 |
| Suppliers | 22,530 | 29,052 | 7,060 | 5,627 | 4,175 |
| Interest payments on lease liability | 18 | 23 | 25 | 25 | 25 |
| Other | 569 | 1,050 | 1,950 | - | - |
| ***Total cash used*** | ***60,499*** | ***69,552*** | ***49,005*** | ***46,426*** | ***45,794*** |
| **Net cash from/(used by) operating activities** | **14,730** | **12,111** | **11,304** | **11,415** | **11,414** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Investments | 194,187 | 171,215 | 170,958 | 170,000 | 170,000 |
| ***Total cash received*** | ***194,187*** | ***171,215*** | ***170,958*** | ***170,000*** | ***170,000*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 24,436 | 20,954 | 21,195 | 21,265 | 21,353 |
| Investments | 193,296 | 170,000 | 170,000 | 169,099 | 169,089 |
| ***Total cash used*** | ***217,732*** | ***190,954*** | ***191,195*** | ***190,364*** | ***190,442*** |
| **Net cash from/(used by) investing activities** | **(23,545)** | **(19,739)** | **(20,237)** | **(20,364)** | **(20,442)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 9,566 | 9,650 | 9,948 | 10,065 | 10,153 |
| ***Total cash received*** | ***9,566*** | ***9,650*** | ***9,948*** | ***10,065*** | ***10,153*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 957 | 1,004 | 1,015 | 1,116 | 1,125 |
| ***Total cash used*** | ***957*** | ***1,004*** | ***1,015*** | ***1,116*** | ***1,125*** |
| **Net cash from/(used by) financing activities** | **8,609** | **8,646** | **8,933** | **8,949** | **9,028** |
| **Net increase/(decrease) in cash held** | **(206)** | **1,018** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 8,605 | 8,399 | 9,417 | 9,417 | 9,417 |
| **Cash and cash equivalents at the end of the reporting period** | **8,399** | **9,417** | **9,417** | **9,417** | **9,417** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 9,566 | 9,650 | 9,948 | 10,065 | 10,153 |
| **Total new capital appropriations** | **9,566** | **9,650** | **9,948** | **10,065** | **10,153** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 9,566 | 9,650 | 9,948 | 10,065 | 10,153 |
| **Total items** | **9,566** | **9,650** | **9,948** | **10,065** | **10,153** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 9,566 | 9,650 | 9,948 | 10,065 | 10,153 |
| Funded internally from departmental resources (b) | 14,870 | 11,304 | 11,247 | 11,200 | 11,200 |
| **TOTAL** | **24,436** | **20,954** | **21,195** | **21,265** | **21,353** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 24,436 | 20,954 | 21,195 | 21,265 | 21,353 |
| **Total cash used to acquire assets** | **24,436** | **20,954** | **21,195** | **21,265** | **21,353** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2 appropriations.
2. Includes the sources of funding from current Bill 1 and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 17,000 | 241,536 | 19,788 | 1,121,130 | 108,422 | 1,507,876 |
| Gross book value - ROU assets | - | 5,091 | 26 | - | - | 5,117 |
| Accumulated depreciation/ amortisation and impairment | - | (5,116) | (5,550) | (7) | (21,876) | (32,549) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (1,877) | (17) | - | - | (1,894) |
| **Opening net book balance** | **17,000** | **239,634** | **14,247** | **1,121,123** | **86,546** | **1,478,550** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | - | 5,333 | 4,317 | 9,650 |
| By purchase - appropriation equity - ROU assets | - | 1,053 | 8 | - | - | 1,061 |
| By purchase - appropriation ordinary annual services (b) | - | 6,089 | 3,030 | - | 2,185 | 11,304 |
| **Total additions** | **-** | **7,142** | **3,038** | **5,333** | **6,502** | **22,015** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation expense | - | (4,599) | (2,942) | (8,500) | (3,311) | (19,352) |
| Depreciation/amortisation on ROU assets | - | (996) | (8) | - | - | (1,004) |
| **Total other movements** | **-** | **(5,595)** | **(2,950)** | **(8,500)** | **(3,311)** | **(20,356)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 17,000 | 247,625 | 22,818 | 1,126,463 | 114,924 | 1,528,830 |
| Gross book value - ROU assets | - | 6,144 | 34 | - | - | 6,178 |
| Accumulated depreciation/ amortisation and impairment | - | (9,715) | (8,492) | (8,507) | (25,187) | (51,901) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (2,873) | (25) | - | - | (2,898) |
| **Closing net book balance** | **17,000** | **241,181** | **14,335** | **1,117,956** | **89,737** | **1,480,209** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | | |  | **$’000** |
| Operations and Maintenance |  |  |  | 12,170 |
| Preservation and Conservation |  |  |  | 1,462 |
| **Total operating expenditure on heritage and cultural assets** | | | | **13,632** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022‑23, including CDABs.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.

National Museum of Australia

Entity resources and planned performance

National Museum of Australia

[Section 1: Entity overview and resources 421](#_Toc115778486)

[1.1 Strategic direction statement 421](#_Toc115778487)

[1.2 Entity resource statement 422](#_Toc115778488)

[1.3 Budget measures 422](#_Toc115778489)

[Section 2: Outcomes and planned performance 423](#_Toc115778490)

[2.1 Budgeted expenses and performance for Outcome 1 424](#_Toc115778491)

[Section 3: Budgeted financial statements 427](#_Toc115778492)

[3.1 Budgeted financial statements 427](#_Toc115778493)

[3.2 Budgeted financial statements tables 428](#_Toc115778494)

# National Museum of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Museum of Australia (NMA), as mandated under the *National Museum of Australia Act 1980*, was established for the purpose of developing and maintaining a National Historical Collection for the benefit of the nation, and to bring to life the rich and diverse stories of Australia through strong engagement with the nation’s varied communities and traditions. Central to the NMA’s place as a national institution is its focus on meaningful engagement with all Australians through the interpretation of Australia’s past, present and future, and its foundational commitment to the history and cultures of the First Australians. The NMA achieves this through the development and maintenance of the National Historical Collection and by sharing the stories of Australia’s people and places. The NMA is the only national institution that is wholly devoted to the complex and comprehensive story of Australia from deep time to the present day.

The NMA has a vital role in helping to connect Australians and their communities, particularly needed in recent times given the impact of natural disasters, the ongoing COVID-19 pandemic and challenges in the international environment. In fulfilling this mission and assisting national recovery, over the next four years the NMA will strive to:

* Ensure Australians have a greater understanding of our shared history by collecting and sharing the unique and remarkable stories of the past and present
* Excel at telling the Australian story through innovative digital media, dynamic story-telling and world-class exhibitions
* Maximise opportunities for public engagement that respond to changing audience behaviours and needs across the country and overseas
* Focus documentation, research, preservation and digitisation programs on key areas of the National Historical Collection
* Utilise available resources to operate as efficiently as possible within the context of the NMA’s legislative functions.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NMA 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 the NMA’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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NMA resource statement — Budget estimates for 2022-23 as at October Budget 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **10,554** | **6,603** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 41,383 | 50,912 |
| Annual appropriations – other services (b) |  |  |
| Equity injection | 1,924 | 1,948 |
| Total annual appropriations | 43,307 | 52,860 |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (c) | 500 | 2,000 |
| Total amounts received from related entities | 500 | 2,000 |
| **Total funds from Government** | **43,807** | **54,860** |
| **Funds from other sources** |  |  |
| Interest | 32 | 49 |
| Sale of goods and services | 13,099 | 5,554 |
| Other | 566 | 1,177 |
| **Total funds from other sources** | **13,697** | **6,780** |
| **Total net resourcing for NMA** | **68,058** | **68,243** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 215 | 216 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) and Supply Act (No. 1) 2022-23.
2. Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) and Supply Act (No. 2) 2022-23.
3. Funding provided by the Portfolio Department that is not specified within the Annual Appropriation Bills as a payment to the NMA.

The NMA 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 (a non-corporate Commonwealth entity), which are then paid to the NMA and considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no new measures for the NMA in the 2022-23 October 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 Plan 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 the National Museum of Australia can be found at: www.nma.gov.au/about/corporate/plans-policies/corporate-plan  The most recent annual performance statement can be found at: www.nma.gov.au/about/corporate/annual-reports |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Increased awareness and understanding of Australia’s history and culture by managing the National Museum’s collections and providing access through public programs and exhibitions |

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Collection Management, Research, Exhibitions and Programs** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 41,383 | 50,912 | 39,687 | 39,982 | 40,144 |
| Payment from related entities | 500 | 2,000 | - | - | - |
| Expenses not requiring appropriation in the Budget year (a) | 2,285 | 366 | 4,032 | 4,088 | 4,117 |
| Revenues from other independent sources | 13,932 | 6,780 | 8,557 | 11,195 | 11,407 |
| **Total expenses for Program 1.1** | **58,100** | **60,058** | **52,276** | **55,265** | **55,668** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 41,383 | 50,912 | 39,687 | 39,982 | 40,144 |
| Payment from related entities | 500 | 2,000 | - | - | - |
| Expenses not requiring appropriation in the Budget year (a) | 2,285 | 366 | 4,032 | 4,088 | 4,117 |
| Revenues from other independent sources | 13,932 | 6,780 | 8,557 | 11,195 | 11,407 |
| **Total expenses for Outcome 1** | **58,100** | **60,058** | **52,276** | **55,265** | **55,668** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 215 | 216 |

1. Expenses not requiring appropriation in the Budget year are depreciation expenses for heritage and cultural assets, and depreciation expenses for property, plant and equipment depreciation, relating to major refurbishment of the NMA's buildings and permanent exhibitions.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1** – Increased awareness and understanding of Australia’s history and culture by managing the National Museum’s collections and providing access through public programs and exhibitions | | |
| --- | --- | --- |
| **Program 1.1 –** Collection Management, Research, Exhibitions and Programs  The National Museum of Australia increases the awareness and understanding of Australia’s history and culture through its collections and research, providing access to the public through its public programs and exhibitions. | | |
| **Key Activities** | Maximise opportunities for public engagement that respond to changing audience behaviours and needs. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior Year  2021‑22 | Maximise visitor engagement with NMA collections and experiences.  Target: Total visitor engagements: 4,307,300   * Permanent Exhibitions: 400,000 * Special Exhibitions: 145,000 * Travelling Exhibitions: 267,500 * Education and Public Programs: 26,800 * Events and Functions: 15,000 * Digital experiences: 2,893,000 * Social Media engagements:  560,000   Note: These targets take into consideration expected COVID-19 impacts. | Actual: Total visitor engagements 7,103,296   * Permanent Exhibitions: 387,321 * Special Exhibitions: 184,673 * Travelling Exhibitions: 644,987 * Education and Public Programs: 115,946 * Events and Functions: 17,631 * Digital experiences: 4,521,730 * Social Media engagements: 1,231,008   Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022‑23 | Maximise visitor engagement with NMA collections and experiences.  Note: These figures take into consideration expected COVID-19 impacts. Travelling exhibitions subject to availability of government grant funding. | Total visitor engagements: 4,251,900  • Permanent Exhibitions: 250,000  • Special Exhibitions: 115,000  • Travelling Exhibitions: 245,000  • Education and Public Programs:  5,700  • Events and Functions: 5,000  • Digital experiences: 3,031,200  • Social Media engagements: 600,000 |
| Forward Estimates 2023‑26 | Maximise visitor engagement with NMA collections and experiences.  Note:These figures take into consideration expected COVID-19 impacts. Travelling exhibitions subject to availability of government grant funding. | Total visitor engagements from 2023‑24 to 2025-26: 3,829,700 per annum. |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the NMA’s finances for the 2022-23 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

The budgeted financial statements include the actual and expected ongoing impacts of COVID‑19, including on own‑source revenue generating capacity. Funding of $9.3 million over two years from 2021-22 was agreed in the 2022-23 March Budget for the NMA to address a range of financial sustainability issues, including a decline in revenue associated with the COVID-19 pandemic.

Both this measure, and the Budget measure in the 2021‑22 Budget, providing $3 million per annum to support the NMA’s financial sustainability, will cease from the 2023‑24 financial year.

The NMA is forecasting an operating surplus of $1.1 million (excluding heritage depreciation) for 2022-23.

The Balance Sheet shows a net equity position of $468.9 million in 2022‑23, representing the surplus of net assets over net liabilities. This primarily reflects the NMA’s non‑financial assets, including land and building and heritage and cultural assets.

The Departmental Capital Budget Statement shows total capital expenditure for 2022‑23 of $9.5 million, funded from departmental resources of $7.6 million and an equity injection from the Government of $1.9 million, for the acquisition and development of heritage and cultural assets.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 23,929 | 21,835 | 20,089 | 22,320 | 22,093 |
| Suppliers | 22,797 | 24,845 | 18,557 | 19,064 | 19,442 |
| Depreciation and amortisation | 10,523 | 13,284 | 13,550 | 13,821 | 14,097 |
| Finance costs | 77 | 94 | 80 | 60 | 36 |
| Write-down and impairment of assets | 774 | - | - | - | - |
| **Total expenses** | **58,100** | **60,058** | **52,276** | **55,265** | **55,668** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 13,099 | 5,554 | 7,317 | 9,941 | 10,139 |
| Interest | 32 | 49 | 49 | 49 | 49 |
| Other | 1,066 | 3,177 | 1,191 | 1,205 | 1,219 |
| **Total own-source revenue** | **14,197** | **8,780** | **8,557** | **11,195** | **11,407** |
| **Gains** |  |  |  |  |  |
| Other | 235 | - | - | - | - |
| **Total own-source income** | **14,432** | **8,780** | **8,557** | **11,195** | **11,407** |
| **Net (cost of)/contribution by services** | **(43,668)** | **(51,278)** | **(43,719)** | **(44,070)** | **(44,261)** |
| Revenue from Government | 41,383 | 50,912 | 39,687 | 39,982 | 40,144 |
| **Surplus/(deficit) attributable to the Australian Government** | **(2,285)** | **(366)** | **(4,032)** | **(4,088)** | **(4,117)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | 1,205 | **-** | **-** | - | - |
| **Total other comprehensive income** | **1,205** | **-** | **-** | - | - |
| **Total comprehensive income/(loss)** | **(1,080)** | **(366)** | **(4,032)** | **(4,088)** | **(4,117)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(1,080)** | **(366)** | **(4,032)** | **(4,088)** | **(4,117)** |
| **Note: Impact of net cash appropriation arrangements** | | | | | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(1,080)** | **(366)** | **(4,032)** | **(4,088)** | **(4,117)** |
| plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a) | 1,436 | 1,464 | 1,494 | 1,524 | 1,554 |
| **Net cash operating surplus/ (deficit)** | **356** | **1,098** | **(2,538)** | **(2,564)** | **(2,563)** |

Prepared on Australian Accounting Standards basis.

1. From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental capital budget statement.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 6,603 | 10,173 | 10,195 | 10,172 | 10,100 |
| Trade and other receivables | 1,845 | 1,845 | 1,845 | 1,845 | 1,845 |
| ***Total financial assets*** | ***4,448*** | ***12,018*** | ***12,040*** | ***12,017*** | ***11,945*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 124,976 | 123,076 | 121,135 | 119,152 | 117,127 |
| Property, plant and equipment | 73,332 | 70,644 | 65,663 | 63,097 | 60,592 |
| Heritage and Cultural | 279,640 | 280,407 | 281,229 | 282,053 | 282,870 |
| Intangibles | 7,166 | 7,250 | 7,315 | 7,361 | 7,387 |
| Inventories | 828 | 828 | 828 | 828 | 828 |
| Prepayments | 1,655 | 1,655 | 1,655 | 1,655 | 1,655 |
| ***Total non-financial assets*** | ***487,597*** | ***483,860*** | ***477,825*** | ***474,146*** | ***470,459*** |
| **Total assets** | **496,045** | **495,878** | **489,869** | **486,163** | **482,404** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 6,795 | 6,575 | 4,000 | 3,780 | 3,560 |
| Other payables | 2,671 | 2,671 | 2,671 | 2,670 | 2,670 |
| ***Total payables*** | ***9,466*** | ***9,246*** | ***6,671*** | ***6,450*** | ***6,230*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 11,447 | 9,918 | 8,344 | 6,723 | 5,052 |
| ***Total interest bearing liabilities*** | ***11,447*** | ***9,918*** | ***8,344*** | ***6,723*** | ***5,502*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 7,817 | 7,817 | 7,817 | 7,817 | 7,817 |
| ***Total provisions*** | ***7,817*** | ***7,817*** | ***7,817*** | ***7,817*** | ***7,817*** |
| **Total liabilities** | **28,730** | **26,981** | **22,832** | **20,990** | **19,099** |
| **Net assets** | **467,315** | **468,897** | **467,033** | **465,173** | **463,305** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 38,883 | 40,831 | 42,864 | 44,929 | 47,016 |
| Reserves | 166,897 | 166,897 | 166,897 | 166,897 | 166,897 |
| Retained surplus (accumulated deficit) | 261,535 | 261,169 | 257,272 | 253,347 | 249,392 |
| ***Total parent entity interest*** | ***467,315*** | ***468,897*** | ***467,033*** | ***465,173*** | ***463,305*** |
| **Total equity** | **467,315** | **468,897** | **467,033** | **465,173** | **463,305** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 261,535 | 166,897 | 38,883 | 467,315 |
| ***Adjusted opening balance*** | ***261,535*** | ***166,897*** | ***38,883*** | ***467,315*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (366) | - | - | (366) |
| ***Total comprehensive income*** | ***(366)*** | ***-*** | ***-*** | ***(366)*** |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 1,948 | 1,948 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***1,948*** | ***1,948*** |
| **Estimated closing balance as at 30 June 2023** | **261,169** | **166,897** | **40,831** | **468,897** |
| **Closing balance attributable to the Australian Government** | **261,169** | **166,897** | **40,831** | **468,897** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 41,383 | 50,912 | 39,687 | 39,982 | 40,144 |
| Receipts from Government | 500 | 2,000 | - | - | - |
| Sale of goods and rendering of services | 10,280 | 5,554 | 7,317 | 9,941 | 10,139 |
| Interest | 34 | 49 | 49 | 49 | 49 |
| Net GST received | 2,393 | 2,800 | 2,023 | 2,579 | 3,288 |
| Other | 4,012 | 1,177 | 1,191 | 1,205 | 1,219 |
| ***Total cash received*** | ***58,602*** | ***62,492*** | ***50,267*** | ***53,756*** | ***54,839*** |
| **Cash used** |  |  |  |  |  |
| Employees | 23,292 | 21,835 | 20,089 | 22,321 | 22,093 |
| Suppliers | 26,530 | 24,845 | 18,424 | 18,901 | 19,280 |
| Net GST paid | 2,784 | 2,800 | 2,023 | 2,579 | 3,288 |
| Interest payments on lease liability | 77 | 94 | 80 | 60 | 36 |
| ***Total cash used*** | ***52,683*** | ***49,574*** | ***40,616*** | ***43,861*** | ***44,697*** |
| **Net cash from/(used by) operating activities** | **5,919** | **12,918** | **9,651** | **9,895** | **10,142** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Investments | 3,500 | - | - | - | - |
| ***Total cash received*** | ***3,500*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 13,872 | 9,767 | 10,088 | 10,362 | 10,630 |
| ***Total cash used*** | ***13,872*** | ***9,767*** | ***10,088*** | ***10,362*** | ***10,630*** |
| **Net cash from/(used by) investing activities** | **(10,372)** | **(9,767)** | **(10,088)** | **(10,362)** | **(10,630)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 1,924 | 1,948 | 2,033 | 2,065 | 2,087 |
| ***Total cash received*** | ***1,924*** | ***1,948*** | ***2,033*** | ***2,065*** | ***2,087*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 1,422 | 1,529 | 1,574 | 1,621 | 1,671 |
| ***Total cash used*** | ***1,422*** | ***1,529*** | ***1,574*** | ***1,621*** | ***1,671*** |
| **Net cash from/(used by) financing activities** | **502** | **419** | **459** | **444** | **416** |
| **Net increase/(decrease) in cash held** | **(3,951)** | **3,570** | **22** | **(23)** | **(72)** |
| Cash and cash equivalents at the beginning of the reporting period | 10,554 | 6,603 | 10,173 | 10,195 | 10,172 |
| **Cash and cash equivalents at the end of the reporting period** | **6,603** | **10,173** | **10,195** | **10,172** | **10,100** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 1,924 | 1,948 | 2,033 | 2,065 | 2,087 |
| **Total new capital appropriations** | **1,924** | **1,948** | **2,033** | **2,065** | **2,087** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 1,924 | 1,948 | 2,033 | 2,065 | 2,087 |
| **Total items** | **1,924** | **1,948** | **2,033** | **2,065** | **2,087** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 1,924 | 1,948 | 2,033 | 2,065 | 2,087 |
| Funded internally from Departmental resources (b) | 8,948 | 7,599 | 5,482 | 8,077 | 8,323 |
| **TOTAL** | **10,872** | **9,547** | **7,515** | **10,142** | **10,410** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 10,872 | 9,547 | 7,515 | 10,142 | 10,410 |
| **Total cash used to acquire assets** | **10,872** | **9,547** | **7,515** | **10,142** | **10,410** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes the sources of funding from current Bill 1 and prior year Act 1 appropriations, donations and contributions; gifts, internally developed assets, and proceeds from the sale of assets.

Table 3.6: Statement of Departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 10,100 | 105,956 | 96,671 | 283,363 | 11,093 | 507,183 |
| Gross book value - ROU assets | - | 14,455 | 99 | - | - | 14,554 |
| Accumulated depreciation/ amortisation and impairment | - | (2,249 | (23,393) | (3,723) | (3,927) | (33,292) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (3,286) | (45) | - | - | (3,331) |
| **Opening net book balance** | **10,100** | **114,876** | **73,332** | **279,640** | **7,166** | **485,114** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | - | 1,948 | - | 1,948 |
| By purchase - other | - | 150 | 6,163 | 283 | 1,030 | 7,599 |
| **Total additions** | **-** | **150** | **6,136** | **2,231** | **1,030** | **9,547** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/amortisation expense | - | (450) | (8,799) | (1,464) | (946) | (11,659) |
| Depreciation/amortisation on ROU assets | - | (1,600) | (25) | - | - | (1,625) |
| **Total other movements** | **-** | **(2,050)** | **(8,824)** | **(1,464)** | **(946)** | **(13,284)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 10,100 | 106,106 | 102,807 | 285,594 | 12,123 | 516,730 |
| Gross book value - ROU assets | - | 14,455 | 99 | - | - | 14,554 |
| Accumulated depreciation/ amortisation and impairment | - | (2,699) | (32,192) | (5,187) | (4,873) | (44,951) |
| Accumulated depreciation/ amortisation and impairment - ROU assets | - | (4,886) | (70) | - | - | (4,956) |
| **Closing net book balance** | **10,100** | **112,976** | **70,644** | **280,407** | **7,250** | **481,388** |

|  |  |
| --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | **$’000** |
| Operations and Maintenance | 3,290 |
| Preservation and Conservation | 4,326 |
| **Total operating expenditure on heritage and cultural assets** | **7,616** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022‑23, including CDABs.

National Portrait Gallery of Australia

Entity resources and planned performance

National Portrait Gallery of Australia

[Section 1: Entity overview and resources 439](#_Toc97652490)

[1.1 Strategic direction statement 439](#_Toc97652491)

[1.2 Entity resource statement 440](#_Toc97652492)

[1.3 Budget measures 440](#_Toc97652493)

[Section 2: Outcomes and planned performance 441](#_Toc97652494)

[2.1 Budgeted expenses and performance for Outcome 1 442](#_Toc97652495)

[Section 3: Budgeted financial statements 446](#_Toc97652496)

[3.1 Budgeted financial statements 446](#_Toc97652497)

[3.2 Budgeted financial statements tables 447](#_Toc97652498)

# National Portrait Gallery of Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Portrait Gallery of Australia (NPGA) aspires to reflect the face of Australia. The NPGA uses portraiture to tell their stories and to increase the understanding and appreciation of the Australian people—their identity, history, culture, creativity and diversity.

The functions of the NPGA are expressed in the *National Portrait Gallery of Australia Act* *2012* (the Act), which requires the NPGA to:

* develop, preserve, maintain and promote a national collection of portraits and other works of art.
* develop and engage a national audience for the collection, exhibitions, education, research, publications, and public and online programs.

The Act calls for the NPGA to use every endeavour to make the most advantageous use of the national collection in the national interest.

The NPGA has four strategic priorities, which underpin the fulfilment of its national charter and align with broader government objectives. They are:

* To enliven the collection through acquisitions and commissions that reveal important Australian stories, and enhanced digital interaction of and remote access to the collection.
* To engage audiences through innovative exhibitions, learning programs and visitor experiences, and a creative exhibition-touring program.
* To increase support for the NPGA through its Foundation, Circle of Friends, partners, government and individuals.
* To invest in people and resources, by strengthening the NPGA’s financial resilience, supporting our staff, maintaining its iconic building and building relationships, which further the aims of the NPGA.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to NPGA 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 the NPGA’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: NPGA resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **32,368** | **32,955** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 12,475 | 12,615 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 193 | 194 |
| Total annual appropriations | 12,668 | 12,809 |
| **Total funds from Government** | **12,668** | **12,809** |
| **Funds from other sources** |  |  |
| Interest | 146 | 139 |
| Sale of goods and services | 1,768 | 1,345 |
| Other | 2,118 | 1,113 |
| **Total funds from other sources** | **4,032** | **2,597** |
| **Total net resourcing for the NPGA** | **49,068** | **48,361** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 52 | 52 |

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Appropriation Bill (No. 2) 2023-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

NPGA 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 (a non-corporate Commonwealth entity), which are then paid to NPGA and are considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no new measures relating to the NPGA for the 2022-23 October 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 measure 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 the NPGA can be found at: https://portrait.gov.au/document/654  The most recent annual performance statement can be found at: https://www.portrait.gov.au/content/annual-report |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection |

Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Develop, maintain and provide access to Australia's national portrait collection** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 12,475 | 12,615 | 12,255 | 12,429 | 12,526 |
| Expenses not requiring appropriation in the Budget year (a) | 1,783 | 3,377 | 3,543 | 3,707 | 3,874 |
| Revenues from other independent sources | 3,782 | 2,347 | 2,424 | 2,503 | 2,579 |
| **Total expenses for Program 1.1** | **18,040** | **18,339** | **18,222** | **18,639** | **18,979** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 12,475 | 12,615 | 12,255 | 12,429 | 12,526 |
| Expenses not requiring appropriation in the Budget year (a) | 1,783 | 3,377 | 3,543 | 3,707 | 3,874 |
| Revenues from other independent sources | 3,782 | 2,347 | 2,424 | 2,503 | 2,579 |
| **Total expenses for Outcome 1** | **18,040** | **18,339** | **18,222** | **18,639** | **18,979** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 52 | 52 |

1. Expenses not requiring appropriation in the Budget year are made up of unfunded depreciation and amortisation expenses related to artwork, which are funded through an equity injection; depreciation and amortisation expenses related to long-lived assets such as the NPGA building; and resources received free of charge.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1** – Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection | | | |
| **Program 1.1—Develop, maintain and provide access to Australia's national portrait collection**  The NPGA houses the national collection of portraits of Australians, reflecting the breadth and energy of Australian culture and endeavour. Subjects in the collection are individuals who have, and who will continue to, shape our nation and define our collective persona. As part of a group of national collecting institutions, the NPGA is unique in its exclusive use of portraiture to explore Australian culture, history, individual achievement and identity. The NPGA provides a forum for the free and respectful discussion of the national identity. We focus on both subject and artist. | | | |
| **Key Activities** | The NPGA program is delivered in the following ways:   * Through collection development, conservation, management and digitisation * Through on site and travelling exhibitions, education, public and online events which create high levels of engagement and satisfaction * With an increasing level of engagement and collaboration * With a focus on self-generated revenue and private giving, and a commitment to maintain and develop its iconic building. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | **Enliven the collection**  Grow the portrait collection in accordance with the Collection Development Policy - target 100%. | Actual: 100%  Target met |
|  | Commission at least 2 artworks. | Actual: 2  Target met |
|  | Increase the percentage of the collection, which is digitised to > 90% (50MB+ high resolution images) >98% (including low resolution images). | Actual: 80.4% (50MB+ resolution) Target not met  Actual: 99.3% (including low resolution)  Target met |
|  | Maintain and preserve the collection with appropriate storage, display and air quality to minimise preventable deterioration or impairment of the collection (target 0% preventable deterioration or impairment). | Actual: 0%  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 cont. | **Engage with audiences**  Reach a million people a year through exhibitions, education and public programs, and online. | Actual: 1,044,883  Target met |
|  | Mount greater than 6 exhibitions per year including travelling exhibitions. | Actual: 8  Target met |
|  | Visitor satisfaction target greater than >90%. | Actual: 97%  Target met |
|  | Engage with 8 regional galleries through the travelling exhibition program. | Actual:7  Target not met (a) |
|  | **Increase support for the NPGA**  Sponsorship, partnership and in kind revenue target greater than $500,000. | Actual: $156,173 (cash sponsorship)  $199,211 (in-kind sponsorship) – Target not met |
|  | Grow private giving. | Actual: $1,167,282  Target met |
|  | Three collaborations/initiatives with overseas institutions. | Actual: 3  Target met |
|  | **Invest in people and resources**  Commit 1% of staffing budget to ongoing professional development of staff. | Actual: 1%  Target met |
|  | Deliver the building preventative maintenance plan (target 75% planned versus 25% reactive maintenance). | Actual: 89% / 21%  Target met |
|  | Grow commercial revenue – $420,000. | Actual: $241,017(a)  Target not met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | **Enliven the collection**  Works acquired in accordance with the Collection Development Policy. | 100% |
|  | Commissioned works of art. | 2+ |
|  | Collection digitised. | > 90% (50MB+ high resolution images) >98% (including low resolution images). |
|  | Collection maintained and preserved with appropriate storage, display and air quality to minimise preventable deterioration or impairment. | 0% for preventable deterioration or impairment |
|  | **Engage with audiences**  Reach 1.2 million people a year through exhibitions, education and public programs, and online. | 1,200,000 |
|  | Stage at least six exhibitions each year. | 6+ |
|  | Visitors satisfied or very satisfied with their visit. | >90% |
|  | Present a national travelling exhibition program at eight venues. | 8 venues |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 cont. | **Increase support for the NPGA**  Sponsorship goals. | $500,000 |
|  | Private giving goals including support for Collection development. | $2,000,000 |
|  | Number of engagements/initiatives with overseas institutions. | 5 |
|  | **Invest in people and resources**  Staffing budget to ongoing professional development of staff. | 1% |
|  | Planned versus reactive maintenance undertaken. | 75% / 25% |
|  | Grow commercial revenue. | $440,000 |
| Forward Estimates  2023-26 | **Enliven the collection**  Works acquired in accordance with the Collection Development Policy. | 100% |
|  | Commissioned works of art. | 2+ |
|  | Collection digitised. | > 95% (50MB+ high resolution images) >98% (including low resolution images). |
|  | Collection maintained and preserved with appropriate storage, display and air quality to minimise preventable deterioration or impairment. | 0% for preventable deterioration or impairment |
|  | **Engage with audiences**  Reach a million people a year through exhibitions, education and public programs, and online. | 2023-24: 1,300,000 2024-25: 1,400,000 2025-26: 1,500,000 |
|  | Stage at least six exhibitions each year. | 6+ |
|  | Visitors satisfied or very satisfied with their visit. | >90% |
|  | Present a national travelling exhibition program at eight venues. | 8 venues |
|  | **Increase support for the NPGA**  Sponsorship goals. | 2023-24: $550,000 2024-25: $600,000 2025-26: $650,000 |
|  | Private giving goals including support for Collection development. | 2023-24: $2,500,000 2024-25: $3,000,000 2025-26: $3,000,000 |
|  | Number of engagements/initiatives with overseas institutions. | 5 |
|  | **Invest in people and resources**  Staffing budget to ongoing professional development of staff. | 1% |
|  | Planned versus reactive maintenance undertaken. | 75% / 25% |
|  | Grow commercial revenue. | 2023-24: $460,000 2024-25: $480,000 2025-26: $500,000 |

1. Lower than target due to the impact of COVID-19 during 2021-22 upon commercial revenue and travelling exhibitions.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NPGA’s finances for the 2022-23 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

The NPGA is budgeting for a net cash operating surplus of $0.6 million in the Budget and forward years that reflects the donations expected to be received by the NPGA Foundation after adjusting for expenses not requiring appropriation in the year. Expenses not requiring appropriation include:

* depreciation on long-lived assets which is funded in accordance with the NPGA’s asset replacement plan
* depreciation related to heritage and cultural assets which is funded through an equity injection.

**Budgeted departmental balance sheet**

Budgeted investments include donations to the NPGA of approximately $23 million, which have been accumulated over a number of years. The NPGA’s Board is charged with setting the guidelines for the use of these funds.

The remainder of budgeted investments is available to meet liabilities for employee entitlements and to assist in funding future asset purchases.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 6,568 | 6,257 | 6,076 | 6,197 | 6,321 |
| Suppliers | 6,774 | 7,466 | 7,508 | 7,782 | 7,976 |
| Depreciation and amortisation | 4,698 | 4,616 | 4,638 | 4,660 | 4,682 |
| Write-down and impairment of assets | 1,253 | - | - | - | - |
| **Total expenses** | **19,293** | **18,339** | **18,222** | **18,639** | **18,979** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 1,768 | 1,345 | 1,389 | 1,435 | 1,481 |
| Interest | 146 | 139 | 146 | 153 | 157 |
| Dividends | 664 | 440 | 445 | 450 | 455 |
| Other | 1,454 | 673 | 694 | 715 | 736 |
| **Total own-source revenue** | **4,032** | **2,597** | **2,674** | **2,753** | **2,829** |
| **Gains** |  |  |  |  |  |
| Other | 532 | 1,140 | 1,165 | 1,190 | 1,215 |
| **Total gains** | **532** | **1,140** | **1,165** | **1,190** | **1,215** |
| **Total own-source income** | **4,564** | **3,737** | **3,839** | **3,943** | **4,044** |
| **Net (cost of)/contribution by services** | **(14,729)** | **(14,602)** | **(14,383)** | **(14,696)** | **(14,935)** |
| Revenue from Government | 12,475 | 12,615 | 12,255 | 12,429 | 12,526 |
| **Surplus/(deficit) attributable to the Australian Government** | **(2,254)** | **(1,987)** | **(2,128)** | **(2,267)** | **(2,409)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation reserves | 10,729 | - | - | - | - |
| **Total other comprehensive income** | **10,729** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **8,475** | **(1,987)** | **(2,128)** | **(2,267)** | **(2,409)** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **8,475** | **(1,987)** | **(2,128)** | **(2,267)** | **(2,409)** |
| plus: depreciation/amortisation expenses previously funded through revenue appropriations (a) | 2,501 | 2,537 | 2,678 | 2,817 | 2,959 |
| **Net cash operating surplus/ (deficit)** | **10,976** | **550** | **550** | **550** | **550** |

Prepared on Australian Accounting Standards basis.

1. The NPGA does not receive funding for its total depreciation expenses on long-lived assets; rather, funding is appropriated based on capital requirements. Also, from 2009-10, the Government replaced Appropriation Bill No. 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Appropriation Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement. The adjusted result in the budget and forward years reflects donated cash and artworks to the NPGA Foundation.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 3,041 | 3,054 | 3,067 | 3,080 | 3,093 |
| Trade and other receivables | 275 | 275 | 275 | 275 | 275 |
| Other investments | 29,914 | 30,164 | 30,414 | 30,664 | 30,914 |
| Other financial assets | 608 | 608 | 608 | 608 | 608 |
| ***Total financial assets*** | ***33,838*** | ***34,101*** | ***34,364*** | ***34,627*** | ***34,890*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 77,278 | 75,768 | 74,114 | 72,435 | 70,614 |
| Property, plant and equipment | 3,730 | 2,908 | 2,096 | 1,177 | 265 |
| Heritage and Cultural | 42,876 | 43,224 | 43,581 | 43,939 | 44,297 |
| Intangibles | 399 | 340 | 276 | 207 | 133 |
| Other non-financial assets | 213 | 213 | 213 | 213 | 213 |
| ***Total non-financial assets*** | ***124,496*** | ***122,453*** | ***120,280*** | ***117,971*** | ***115,522*** |
| **Total assets** | **158,334** | **156,554** | **154,644** | **152,598** | **150,412** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 927 | 927 | 927 | 927 | 927 |
| Other payables | 169 | 169 | 169 | 169 | 169 |
| ***Total payables*** | ***1,096*** | ***1,096*** | ***1,096*** | ***1,096*** | ***1,096*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,803 | 1,816 | 1,829 | 1,842 | 1,855 |
| ***Total provisions*** | ***1,803*** | ***1,816*** | ***1,829*** | ***1,842*** | ***1,855*** |
| **Total liabilities** | **2,899** | **2,912** | **2,925** | **2,938** | **2,951** |
| **Net assets** | **155,435** | **153,642** | **151,719** | **149,660** | **147,461** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 130,155 | 130,349 | 130,554 | 130,762 | 130,972 |
| Reserves | 19,879 | 19,879 | 19,879 | 19,879 | 19,879 |
| Retained surplus (accumulated deficit) | 5,401 | 3,414 | 1,286 | (981) | (3,390) |
| ***Total parent entity interest*** | ***155,435*** | ***153,642*** | ***151,719*** | ***149,660*** | ***147,461*** |
| **Total equity** | **155,435** | **153,642** | **151,719** | **149,660** | **147,461** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 5,401 | 19,879 | 130,155 | 155,435 |
| ***Adjusted opening balance*** | ***5,401*** | ***19,879*** | ***130,155*** | ***155,435*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (1,987) | - | - | (1,987) |
| ***Total comprehensive income*** | ***(1,987)*** | ***-*** | ***-*** | ***(1,987)*** |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 194 | 194 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***194*** | ***194*** |
| **Estimated closing balance as at  30 June 2023** | **3,414** | **19,879** | **130,349** | **153,642** |
| **Closing balance attributable to the Australian Government** | **3,414** | **19,879** | **130,349** | **153,642** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 12,475 | 12,615 | 12,255 | 12,429 | 12,526 |
| Sale of goods and rendering of services | 1,858 | 1,466 | 1,514 | 1,564 | 1,614 |
| Interest | 208 | 139 | 146 | 153 | 157 |
| Dividends | 89 | 440 | 445 | 450 | 455 |
| Net GST received | 487 | 475 | 473 | 491 | 502 |
| Other | 1,428 | 673 | 694 | 715 | 736 |
| ***Total cash received*** | ***16,545*** | ***15,808*** | ***15,527*** | ***15,802*** | ***15,990*** |
| **Cash used** |  |  |  |  |  |
| Employees | 6,477 | 6,244 | 6,063 | 6,184 | 6,308 |
| Suppliers | 7,820 | 7,222 | 7,241 | 7,512 | 7,696 |
| ***Total cash used*** | ***14,297*** | ***13,466*** | ***13,304*** | ***13,696*** | ***14,004*** |
| **Net cash from/(used by) operating activities** | **2,248** | **2,342** | **2,223** | **2,106** | **1,986** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 466 | 2,079 | 1,960 | 1,843 | 1,723 |
| Purchase of works of art | 212 | 194 | 205 | 208 | 210 |
| Investments | 1,069 | 250 | 250 | 250 | 250 |
| ***Total cash used*** | ***1,747*** | ***2,523*** | ***2,415*** | ***2,301*** | ***2,183*** |
| **Net cash from/(used by) investing activities** | **(1,747)** | **(2,523)** | **(2,415)** | **(2,301)** | **(2,183)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 193 | 194 | 205 | 208 | 210 |
| ***Total cash received*** | ***193*** | ***194*** | ***205*** | ***208*** | ***210*** |
| **Net cash from/(used by) financing activities** | **193** | **194** | **205** | **208** | **210** |
| **Net increase/(decrease) in cash held** | **694** | **13** | **13** | **13** | **13** |
| Cash and cash equivalents at the beginning of the reporting period | 2,347 | 3,041 | 3,054 | 3,067 | 3,080 |
| **Cash and cash equivalents at the end of the reporting period** | **3,041** | **3,054** | **3,067** | **3,080** | **3,093** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 193 | 194 | 205 | 208 | 210 |
| **Total new capital appropriations** | **193** | **194** | **205** | **208** | **210** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | *193* | *194* | *205* | *208* | *210* |
| **Total items** | ***193*** | ***194*** | ***205*** | ***208*** | ***210*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 193 | 194 | 205 | 208 | 210 |
| Funded internally from departmental resources (b) | 485 | 2,379 | 2,260 | 2,143 | 2,023 |
| **TOTAL** | **678** | **2,573** | **2,465** | **2,351** | **2,233** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 1,011 | 2,573 | 2,465 | 2,351 | 2,233 |
| less: gifted assets | (333) | (300) | (300) | (300) | (300) |
| **Total cash used to acquire assets** | **678** | **2,273** | **2,165** | **2,051** | **1,933** |

Prepared on Australian Accounting Standards basis.

1. Includes current Appropriation Bill 2.
2. Includes the following sources of funding: prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Asset Category** | | | | | |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |  |
| Gross book value | 13,495 | 63,810 | 3,735 | 42,877 | 952 | 124,869 |
| Accumulated depreciation/ amortisation and impairment | - | (27) | (5) | (1) | (553) | (586) |
| **Opening net book balance** | **13,495** | **63,783** | **3,730** | **42,876** | **399** | **124,283** |
| **Capital asset additions** |  |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | - | 194 | - | 194 |
| By purchase - appropriation ordinary annual services (b) | - | 1,529 | 500 | - | 50 | 2,079 |
| Assets received as gifts/donations | - | - | - | 300 | - | 300 |
| **Total additions** | **-** | **1,529** | **500** | **494** | **50** | **2,573** |
| **Other movements** |  |  |  |  |  |  |
| Depreciation/ amortisation expense | - | (3,039) | (1,322) | (146) | (109) | (4,616) |
| **Total other movements** | **-** | **(3,039)** | **(1,322)** | **(146)** | **(109)** | **(4,616)** |
| **As at 30 June 2023** |  |  |  |  |  |  |
| Gross book value | 13,495 | 65,339 | 4,235 | 43,371 | 1,002 | 127,442 |
| Gross book value - ROU assets | - | - | - | - | - | - |
| Accumulated depreciation/ amortisation and impairment | - | (3,066) | (1,327) | (147) | (662) | (5,202) |
| **Closing net book balance** | **13,495** | **62,273** | **2,908** | **43,224** | **340** | **122,240** |

|  |  |
| --- | --- |
| **Estimated operating expenditure in income statement for heritage and cultural assets** | **$’000** |
| Operations and Maintenance | 1,148 |
| Preservation and Conservation | 91 |
| **Total operating expenditure on heritage and cultural assets** | **1,238** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDABs.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses.

National Transport Commission

Entity resources and planned performance

National Transport Commission

[Section 1: Entity overview and resources 457](#_Toc99131677)

[1.1 Strategic direction statement 457](#_Toc99131678)

[1.2 Entity resource statement 458](#_Toc99131679)

[1.3 Budget measures 458](#_Toc99131680)

[Section 2: Outcomes and planned performance 459](#_Toc99131681)

[2.1 Budgeted expenses and performance for Outcome 1 460](#_Toc99131682)

[Section 3: Budgeted financial statements 464](#_Toc99131683)

[3.1 Budgeted financial statements 464](#_Toc99131684)

[3.2 Budgeted financial statements tables 465](#_Toc99131685)

# National Transport Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Transport Commission (NTC) is a national land transport reform agency that supports Australian governments to improve safety, productivity and environmental outcomes, provide for future technologies and improve regulatory efficiency. Our vision is to advance social and economic outcomes for all Australians through an efficient, integrated and national land transport system.

The *National Transport Commission Act 2003* (the NTC Act) and the Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport (IGA) establish the NTC and define our role. This is reflected in the NTC’s outcome statement: Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport.

As a key contributor to the national reform agenda, the NTC is accountable to the Infrastructure and Transport Ministers’ Meeting (ITMM), and works closely with the ITMM’s advisory body, the Infrastructure and Transport Senior Officials' Committee (ITSOC). ITMM approves the NTC’s program of work (through our Corporate Plan) and reform proposals.

The NTC operates in a complex and changing national environment that faces rapid transformation through technology and innovation. To meet the challenges that this environment poses and deliver on our intended outcomes, the NTC’s focus for 2022-23 is:

* delivering work across five focus areas that are aligned with ITMM’s reform priorities and offer the highest value for Australia:
  + Future technologies
  + Safety
  + Productivity
  + Sustainability
  + Advisory and partnerships.
* effective engagement, collaboration and partnerships to deliver reform, while taking a more active role as a facilitator and coordinator to support national transport reform.
* developing our policy, economic and evaluation capabilities to ensure we have the expertise to deliver high-quality work and advice.
* continuing to embed a more flexible, responsive, and national operating model including capitalising on the agile and hybrid work practices adopted for COVID‑19.

The NTC’s Corporate Plan provides more detail on our program of work and how we will deliver on our outcomes.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NTC 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 the NTC’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: National Transport Commission resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **3,318** | **4,161** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 4,684 | 4,427 |
| Total annual appropriations | 4,684 | 4,427 |
| **Total funds from Government** | **4,684** | **4,427** |
| **Funds from other sources** |  |  |
| Sale of goods and services | 8,365 | 8,018 |
| **Total funds from other sources** | **8,365** | **8,018** |
| **Total net resourcing for the NTC** | **13,049** | **12,445** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 42 | 43 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

The NTC 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 (a Non‑Corporate Commonwealth entity), which are then paid to the NTC and are considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no new measures for the NTC for the 2022-23 October 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 the NTC can be found at: https://www.transparency.gov.au/sites/default/files/reports/2021-22\_corporate\_plan\_national\_transport\_commission.pdf  The most recent annual performance statement can be found at: https://www.ntc.gov.au/about-ntc/corporate-reporting/annual-report |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport |

Budgeted expenses for Outcome 1

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: National Transport Commission** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 4,684 | 4,427 | 4,566 | 4,130 | 4,237 |
| Revenues from other independent sources | 8,365 | 8,018 | 8,480 | 7,670 | 7,869 |
| **Total expenses for Program 1.1** | **13,049** | **12,445** | **13,046** | **11,800** | **12,106** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 4,684 | 4,427 | 4,566 | 4,130 | 4,237 |
| Revenues from other independent sources | 8,365 | 8,018 | 8,480 | 7,670 | 7,869 |
| **Total expenses for Outcome 1** | **13,049** | **12,445** | **13,046** | **11,800** | **12,106** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 | 2022-23 |  |  |  |
| **Average staffing level (number)** | 42 | 43 |  |  |  |

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport | | |
| **Program 1.1** –Improve safety, productivity and environmental outcomes, provide for future technologies and improve regulatory efficiency by developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport. | | |
| **Key Activities** | Delivery of the NTC’s ministerially approved program of work (as detailed in the NTC’s Corporate Plan) in partnership with Australian governments, safety regulators, standards boards, industry, the private sector and the broader community. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | The NTC develops policy reform proposals that are demonstrated to offer high value. | Actual: Clear evidence is provided of the expected benefits for all policy reform proposals.  Target met |
|  | The NTC’s recommendations are relevant and valuable enough to the ITMM to be agreed. | Actual: At least 90 per cent of NTC recommendations presented to the ITMM are agreed.  Target met |
|  | The NTC delivers its ITMM-agreed projects on time and within budget. | Actual: At least 90 per cent of projects are completed on time and within budget.  Target met |
|  | The NTC delivers a comprehensive program of legislative reviews and amendments. | Actual: At least five legislative amendment packages are submitted to the ITMM each year.  Target not met |
|  | The NTC consistently monitors and promotes the successful implementation of land transport reforms. | Actual: The National Transport Reform Implementation Monitoring Report is provided annually and includes:   * the status for each jurisdiction for all land transport reforms being implemented * recommendations to address any barriers to successful implementation.   Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 cont. | All NTC reforms are proposed with a clear implementation pathway. | Actual: 100 per cent of NTC regulatory amendments presented to the ITMM have an implementation plan that includes outputs, timeframes and accountabilities.  Target met |
|  | The NTC receives positive feedback in its stakeholder survey on how the organisation engages. | Actual: Demonstrated improvements on the previous stakeholder survey.  Not applicable for 2021-22 - survey rescheduled to 2022-23. |
| The NTC’s staff engagement survey results are positive. | Actual: An increase from the previous survey in overall staff engagement.  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 | Evaluations of the impact of the NTC’s reforms (once implemented) show clear evidence of value provided. | All NTC reforms evaluated are shown to have been beneficial. |
|  | The NTC develops policy reform proposals that are demonstrated to offer high value. | Clear evidence is provided of the expected benefits for all policy reform proposals. |
|  | The NTC’s recommendations are relevant and valuable enough to the ITMM to be agreed. | At least 90 per cent of NTC recommendations presented to the ITMM are agreed. |
|  | The NTC delivers its ITMM-agreed projects on time and within budget. | At least 90 per cent of projects are completed on time and within budget. |
|  | The NTC delivers a comprehensive program of legislative reviews and amendments. | At least three legislative amendment packages are submitted to the ITMM each year. |
| The NTC consistently monitors and promotes the successful implementation of land transport reforms. | The National Transport Reform Implementation Monitoring Report is provided annually and includes:   * the status for each jurisdiction for all land transport reforms being implemented * recommendations to address any barriers to successful implementation. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022‑23 cont. | All NTC reforms are proposed with a clear implementation pathway. | 100 per cent of NTC regulatory amendments presented to the ITMM have an implementation plan that includes outputs, timeframes and accountabilities. |
|  | The NTC receives positive feedback in its stakeholder survey on how the organisation engages. | Demonstrated improvements on the previous stakeholder survey. |
|  | The NTC’s staff engagement survey results are positive. | An increase from the previous survey in overall staff engagement. |
| Forward Estimates 2023-26 | The statutory review of the NTC confirms that the organisation delivers on the objectives specified in the IGA. | The review recognises the NTC as highly valuable and recommends for it to continue operation. |
|  | All others as per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NTC’s finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The NTC is funded by Commonwealth, states and territories on an annual basis, apportioned by an agreed percentage allocation as outlined within the NTC’s IGA.

Under its Act, funding for the NTC is to be applied only in payment or discharge of the costs, expenses and other obligations incurred by the NTC in the performance of its functions and the exercise of its powers.

Each year, the NTC must prepare estimates, in accordance with ITMM directions, of its receipts and expenditure for each financial year and for any other period specified by ITMM. The NTC must submit estimates so prepared to ITMM no later than such a date as ITMM directs. Except with the consent of ITMM, the funding of the NTC must not be spent otherwise than in accordance with the Corporate Plan and work program provided annually. On this basis, the NTC’s forward estimates may change yearly based on directions from ITMM.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The NTC’s balance sheet is simple in structure and classification. Assets are largely comprised of cash and office plant and equipment, while liabilities are payables (to suppliers) and employee provisions (staff entitlements).

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 6,871 | 7,804 | 8,178 | 8,320 | 8,495 |
| Suppliers | 4,907 | 3,778 | 4,014 | 2,635 | 2,776 |
| Depreciation and amortisation | 828 | 816 | 816 | 816 | 816 |
| Finance costs | 55 | 47 | 38 | 29 | 19 |
| **Total expenses** | **12,661** | **12,445** | **13,046** | **11,800** | **12,106** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Other (a) | 8,365 | 8,018 | 8,480 | 7,670 | 7,869 |
| **Total own-source revenue** | **8,365** | **8,018** | **8,480** | **7,670** | **7,869** |
| **Total own-source income** | **8,365** | **8,018** | **8,480** | **7,670** | **7,869** |
| **Net (cost of)/contribution by services** | **(4,296)** | **(4,427)** | **(4,566)** | **(4,130)** | **(4,237)** |
| Revenue from Government | 4,684 | 4,427 | 4,556 | 4,130 | 4,237 |
| **Surplus/(deficit) attributable to the Australian Government** | **388** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **388** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

1. Relates to funding provided by states and territories.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 4,161 | 4,279 | 4,370 | 4,433 | 4,467 |
| Trade and other receivables | 140 | 140 | 140 | 140 | 140 |
| ***Total financial assets*** | ***4,301*** | ***4,419*** | ***4,510*** | ***4,573*** | ***4,607*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 2,485 | 2,059 | 1,633 | 1,207 | 781 |
| Property, plant and equipment | 923 | 833 | 743 | 653 | 563 |
| Other non-financial assets | 70 | 70 | 70 | 70 | 70 |
| ***Total non-financial assets*** | ***3,478*** | ***2,962*** | ***2,446*** | ***1,930*** | ***1,414*** |
| **Total assets** | **7,779** | **7,381** | **6,956** | **6,503** | **6,021** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 770 | 770 | 770 | 770 | 770 |
| Other payables | 22 | 22 | 22 | 22 | 22 |
| ***Total payables*** | ***792*** | ***792*** | ***792*** | ***792*** | ***792*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 2,719 | 2,321 | 1,896 | 1,443 | 961 |
| ***Total interest bearing liabilities*** | ***2,719*** | ***2,321*** | ***1,896*** | ***1,443*** | ***961*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| ***Total provisions*** | ***1,200*** | ***1,200*** | ***1,200*** | ***1,200*** | ***1,200*** |
| **Total liabilities** | **4,711** | **4,313** | **3,888** | **3,435** | **2,953** |
| **Net assets** | **3,068** | **3,068** | **3,068** | **3,068** | **3,068** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Retained surplus (accumulated deficit) | 3,068 | 3,068 | 3,068 | 3,068 | 3,068 |
| ***Total parent entity interest*** | ***3,068*** | ***3,068*** | ***3,068*** | ***3,068*** | ***3,068*** |
| **Total equity** | **3,068** | **3,068** | **3,068** | **3,068** | **3,068** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |
| --- | --- | --- |
|  | Retained earnings $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2022** |  |  |
| Balance carried forward from previous period | 3,068 | 3,068 |
| ***Adjusted opening balance*** | ***3,068*** | ***3,068*** |
| **Comprehensive income** |  |  |
| Surplus/(deficit) for the period | - | - |
| ***Total comprehensive income*** | ***-*** | ***-*** |
| **Estimated closing balance as at 30 June 2023** | **3,068** | **3,068** |
| **Closing balance attributable to the Australian Government** | **3,068** | **3,068** |
| Prepared on Australian Accounting Standards basis. | | |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 13,089 | 12,445 | 13,046 | 11,800 | 12,106 |
| ***Total cash received*** | ***13,089*** | ***12,445*** | ***13,046*** | ***11,800*** | ***12,106*** |
| **Cash used** |  |  |  |  |  |
| Net GST paid | 63 | - | - | - | - |
| Employees | 6,920 | 7,804 | 8,178 | 8,320 | 8,495 |
| Suppliers | 4,656 | 3,778 | 4,014 | 2,635 | 2,776 |
| Interest payments on lease liability | 55 | 47 | 38 | 29 | 19 |
| ***Total cash used*** | ***11,694*** | ***11,629*** | ***12,230*** | ***10,984*** | ***11,290*** |
| **Net cash from/(used by) operating activities** | **1,395** | **816** | **816** | **816** | **816** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 180 | 300 | 300 | 300 | 300 |
| ***Total cash used*** | ***180*** | ***300*** | ***300*** | ***300*** | ***300*** |
| **Net cash from/(used by) investing activities** | **(180)** | **(300)** | **(300)** | **(300)** | **(300)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 372 | 398 | 425 | 453 | 482 |
| ***Total cash used*** | ***372*** | ***398*** | ***425*** | ***453*** | ***482*** |
| **Net cash from/(used by) financing activities** | **(372)** | **(398)** | **(425)** | **(453)** | **(482)** |
| **Net increase/(decrease) in cash held** | **843** | **118** | **91** | **63** | **34** |
| Cash and cash equivalents at the beginning of the reporting period | 3,318 | 4,161 | 4,279 | 4,370 | 4,433 |
| **Cash and cash equivalents at the end of the reporting period** | **4,161** | **4,279** | **4,370** | **4,433** | **4,467** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from Departmental resources (a) | 180 | 300 | 300 | 300 | 300 |
| **TOTAL** | **180** | **300** | **300** | **300** | **300** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 180 | 300 | 300 | 300 | 300 |
| **Total cash used to acquire assets** | **180** | **300** | **300** | **300** | **300** |

Prepared on Australian Accounting Standards basis.

1. Includes funding from entity receipts, and proceeds from sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Asset Category** | | |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |
| Gross book value | - | 2,312 | 2,312 |
| Gross book value - ROU assets | 3,763 | - | 3,763 |
| Accumulated depreciation/amortisation and impairment | - | (1,389) | (1,389) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (1,278) | - | (1,278) |
| **Opening net book balance** | **2,485** | **923** | **3,408** |
| **Capital asset additions** |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |
| By purchase - other | - | 300 | 300 |
| **Total additions** | **-** | **300** | **300** |
| **Other movements** |  |  |  |
| Depreciation/amortisation expense | - | (390) | (390) |
| Depreciation/amortisation on ROU assets | (426) | - | (426) |
| **Total other movements** | **(426)** | **(390)** | **(816)** |
| **As at 30 June 2023** |  |  |  |
| Gross book value | - | 2,612 | 2,612 |
| Gross book value - ROU assets | 3,763 | - | 3,763 |
| Accumulated depreciation/amortisation and impairment | - | (1,779) | (1,779) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (1,704) | - | (1,704) |
| **Closing net book balance** | **2,059** | **833** | **2,892** |

Prepared on Australian Accounting Standards basis.

Northern Australia Infrastructure Facility

Entity resources and planned performance

Northern Australia Infrastructure Facility

[Section 1: Entity overview and resources 475](#_Toc115877364)

[1.1 Strategic direction statement 475](#_Toc115877365)

[1.2 Entity resource statement 477](#_Toc115877366)

[1.3 Budget measures 477](#_Toc115877367)

[Section 2: Outcomes and planned performance 478](#_Toc115877368)

[2.1 Budgeted expenses and performance for Outcome 1 479](#_Toc115877369)

[Section 3: Budgeted financial statements 485](#_Toc115877370)

[3.1 Budgeted financial statements 485](#_Toc115877371)

[3.2 Budgeted financial statements tables 486](#_Toc115877372)

# Northern Australia Infrastructure Facility

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Northern Australia Infrastructure Facility (NAIF) was established on 1 July 2016 as a corporate Commonwealth entity under the *Northern Australia Infrastructure Facility Act 2016* (NAIF Act).

A commercially focused independent board oversees NAIF and is responsible for making Investment Decisions to provide financial assistance by way of loans, equity or alternate financing mechanisms to projects that support the economic growth and stimulate population growth in northern Australia.

The NAIF Investment Mandate, effective 30 June 2021, outlines the mandatory criteria project proponents must meet for their project to be eligible for NAIF financial assistance. The infrastructure that NAIF is able to finance is wide ranging and includes assets that facilitate the establishment or enhancement of business activity or increase economic activity in a region. Examples of the sectors that NAIF can support include, but are not limited to, resources, airports, ports and rail, agriculture, water, energy, social infrastructure (including property, tourism, education and health), manufacturing and telecommunications. Eligible projects must bring new capacity online either through the construction of new infrastructure or by materially enhancing existing infrastructure.

NAIF projects must be of public benefit (being broad based and must demonstrate benefits to the broader economy and community, beyond those captured by a project proponent). In offering any concession pricing or terms, NAIF must have regard to the extent of the forecast public benefit.

NAIF can provide up to 100 per cent of debt funding for an eligible project provided there is appropriate risk sharing and subject to the Commonwealth Government not being a majority risk taker for the project.

In providing financing to support the development of a project, NAIF utilises several financing tools including longer loan tenor, deferral of interest and principal repayments, security and/or cash flow subordination and concessional pricing. The financing tools provided for a project are determined on a project specific basis. NAIF can accept a higher risk than commercial lenders particularly where the risk relates to factors that are unique to investing in northern Australia, including distance remoteness and climate. NAIF is only able to offer the minimum concessions necessary for a project to proceed. NAIF moneys are not grant funds and in all cases the loan or other finance must be able to be repaid or refinanced.

NAIF requires each proponent to provide an Indigenous participation, procurement and employment strategy tailored for the Indigenous population in the region of the proposed project. NAIF works with project proponents to ensure these strategies contain sustainable and achievable actions to support Indigenous advancement, including setting targets across employment, procurement, or other areas where suited to the circumstances of the project.

The Parliament passed a series of reforms to the NAIF Act in 2020-21. These reforms included:

* An expanded definition of infrastructure to focus on financing development rather than just construction.
* An expanded geography to include the Shire of Ngaanyatjarraku in Western Australia.
* A broader definition of public benefit.
* NAIF being provided with expanded debt tools, including the ability to provide letters of credit, guarantees and lend in foreign currency.
* The ability for NAIF to provide finance for smaller loans, through working with financing partnerships.
* The ability for NAIF to provide equity finance, subject to a cap of $50 million and a minimum of $5 million per investment, for non-controlling investments, with NAIF’s total equity commitments to be capped at $500 million out of the $5 billion allocation.
* In certain circumstances the ability for NAIF to provide financing directly to proponents rather than via the States or Northern Territory.

These reforms will support NAIF achieve its primary objective of delivering of economic and population growth in the north.

NAIF is an initiative of the Australian Government’s Our North, Our Future: White Paper on Developing Northern Australia. Policy responsibility rests with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

On 17 July 2020, the then responsible Minister announced NAIF’s extension for a further five years to 30 June 2026. Section 8(1) of the NAIF Act states that NAIF must not make a decision after 30 June 2026 to provide financial assistance.

More information about NAIF is available at www.naif.gov.au.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to NAIF 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 NAIF’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: NAIF — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **2,488** | **7,027** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) (b) |  |  |
| Outcome 1 | 18,967 | 20,939 |
| Total annual appropriations | 18,967 | 20,939 |
| **Total funds from Government** | **18,967** | **20,939** |
| **Total net resourcing for NAIF** | **21,455** | **27,966** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** (c) | 1 | 1 |

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

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. 2021-22 includes $4.7 million in appropriation received through the Department of Industry, Science, Energy and Resources prior to the transfer of NAIF to the Infrastructure Portfolio as part of the restructure of administrative arrangements in July 2021.
3. The ASL estimate represents the Chief Executive Officer of NAIF. Total staffing for NAIF is 37.2 full time equivalents as at June 2022. The additional staff for NAIF include specialist staff engaged under contract. Refer to Section 3.1.1 for further information.

1.3 Budget measures

There are no new measures relating to NAIF for the 2022-23 October 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 measure 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 NAIF can be found at:  https://naif.gov.au/media/reporting/  The most recent annual performance statement can be found at:  https://naif.gov.au/media/reporting/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the State and Territory Governments |

#### Linked programs

|  |
| --- |
| **Department of Infrastructure, Transport, Regional Development, Communications and the Arts** |
| **Programs**   * Program 3.4 – Growing innovative and competitive businesses, industries and regions.   **Contribution to Outcome 1 made by linked programs**  The Department of Infrastructure, Transport, Regional Development, Communications and the Arts contributes through its policies to increase economic growth and investment in northern Australia. The Department has policy responsibility for NAIF. |
| **Infrastructure Australia** |
| **Programs**   * Program 1.1 – Infrastructure Australia   **Contribution to Outcome 1 made by linked programs**  Infrastructure Australia contributes to Outcome 1 through feedback on matters relating to infrastructure and public benefit analysis to support NAIF’s assessment of its mandatory criterion in regards to a project being of public benefit. NAIF must consult Infrastructure Australia where NAIF’s Investment Decision is for an amount more than $250 million. |

|  |
| --- |
| **National Indigenous Australians Agency** |
| **Programs**   * Program 1.1 – Jobs, Land and the Economy * Program1.2 – Children and Schooling * Program 1.3 – Safety and Wellbeing * Program 1.4 – Culture and Capability * Program 1.5 – Remote Australia Strategies * Program 1.6 – Evaluation and Research |
| **Contribution to Outcome 1 made by linked programs**  The National Indigenous Australians Agency contributes to Outcome 1 through engagement with Indigenous-led proponents or those partnering with Indigenous communities on projects related to areas like social infrastructure, ecotourism, agriculture and horticulture, resources and innovative energy solutions for remote communities. NAIF engages with Indigenous stakeholders including for example the Indigenous Reference Group. Furthermore, all NAIF project proponents must develop strategies for Indigenous participation, procurement and employment that are tailored for Indigenous populations in the region of the project. |

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Northern Australia Infrastructure Facility** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 18,967 | 20,939 | 21,090 | 21,254 | 21,615 |
| **Total expenses for Program 1.1** | **18,967** | **20,939** | **21,090** | **21,254** | **21,615** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 18,967 | 20,939 | 21,090 | 21,254 | 21,615 |
| **Total expenses for Outcome 1** | **18,967** | **20,939** | **21,090** | **21,254** | **21,615** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** (a) | 1 | 1 |

(a) The ASL estimate represents the Chief Executive Officer of NAIF. Total staffing for NAIF is 37.2 full time equivalents as at June 2022. The additional staff for NAIF include specialist staff engaged under contract. Refer to Section 3.1.1 for further information.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure through the provision of concessional financing delivered through the State and Territory Governments | | |
| **Program 1.1 – Northern Australia Infrastructure Facility (NAIF)**  This program contributes to the outcome by accelerating and encouraging development of infrastructure that provides a basis for economic growth and stimulates population growth in northern Australia. | | |
| **Key Activities** (a) | Key activities reported in the current corporate plan that relate to this program.   * Financing transformational opportunities in northern Australia * Facilitate economic and sustainable growth * Expand and promote Indigenous opportunities and outcomes. | |
| **Year** | **Performance measures** | **Expected Performance Results (b)** |
| Prior year  2021-22 | Public benefit | Net public benefit for each Investment Decision:  Public Benefit Multiplier - Value of quantified public benefit to cost of concessions > 2 times (over the portfolio of Investment Decisions in a financial year).  Target met  For each Investment Decision in the period, publish a case study (on NAIF’s website) outlining among other things, examples of forecast public benefit.  Target met  Job creation:  Report on total jobs forecast from Investment Decisions.  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results(b)** |
| Prior year  2021-22 cont. | Indigenous engagement | Sustainable Indigenous participation, procurement and employment:  For each Investment Decision in the period publish a case study (on NAIF’s website) outlining among other things, examples of proposed Indigenous engagement strategies.  Target met |
| Growth in investment activity | Dollar value of NAIF Investment Decisions per annum, $1 - $1.25 billion.  Target not met (Investment Decisions of $752 million)  Contractual close per annum, $0.8 - $1 billion.  Target not met (Contractual closes of $545 million)  Diversification, over four-year time horizon demonstrate diversification across geography and sector.  Target met |
| Effective Risk Management | Demonstrate active management within Risk Framework and Risk Appetite Statement.  Target met  No instances identified of non-compliance with NAIF Act and Investment Mandate and all other legal and policy requirements.  Target met |
| Active Stakeholder Management | Level of communication and stakeholder engagement activity:  At least one Board Meeting held in each of the northern Australia jurisdictions per annum.  Target not met (Achieved QLD & NT, but not WA due to border closures)  Industry and regional events.  Target met  Regular external communications via newsletters, social and other media.  Target met  Continued refresh of website highlighting key investment activities and impact.  Target met  Undertake an annual Stakeholder survey.  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results (b)** |
| Prior year  2021-22 cont. | Drive towards financial sustainability | Operating expenditure:  Operating expenses per annum are within budget.  Target met  Cost Recovery (for Debt financings):  By 2024-25 transaction loan revenues exceed NAIF accumulated operating costs and cost of funds.  Target on track  Equity returns:  By 2024-25 return on equity investments achieves the accumulated cost of funds plus 3%.  Target not applicable |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Contributing to the Nation | Public Benefit/NAIF loan - annual, cumulative calculation for new Investment Decisions: quantified Public Benefit is >10x NAIF loan value  Job creation - annual, cumulative calculation for new Investment Decisions: total job numbers divided by total NAIF loan value >5 |
| Proudly Investing and Growing Northern Australia | Dollar value of approved Investment Decision: $1‑1.25 billion |
| Delivering Indigenous Outcomes | At least one new Investment Decisions supporting a majority Indigenous owned business or project  Indigenous Employment Opportunities - annual, average percentage of Indigenous specific jobs for new Investment Decisions: Average of the Indigenous employment targets is > 3%, across new Investment Decisions |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 subject to agreed funding levels. |

1. Refers to updated key activities that are reflected in the 2022-23 Corporate Plan.
2. See Annual Performance Statement within NAIF’s 2021-22 Annual Report for detailed analysis of NAIF’s results.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NAIF finances for the 2022-23 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

The income statement shows the estimated net cost of services for NAIF.

Total budgeted expenses for NAIF in 2022-23 is $20.9 million, represented by $13.6 million in employee benefits, $6.9 million in suppliers, and $0.5 million in depreciation. Suppliers include specialist staff engaged under contract; board, travel and overhead costs as well as expenses relating to Export Finance Australia, which provides services to NAIF through a service level agreement across corporate and administrative services (including financial management and reporting, human resources, information technology and communications and property management).

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 8,648 | 13,551 | 14,567 | 15,622 | 16,642 |
| Suppliers | 5,453 | 6,874 | 6,009 | 5,118 | 4,459 |
| Depreciation and amortisation | 318 | 493 | 493 | 493 | 493 |
| Finance costs | 9 | 21 | 21 | 21 | 21 |
| **Total expenses** | **14,428** | **20,939** | **21,090** | **21,254** | **21,615** |
| **Net (cost of)/contribution by services** | **(14,428)** | **(20,939)** | **(21,090)** | **(21,254)** | **(21,615)** |
| Revenue from Government | 18,967 | 20,939 | 21,090 | 21,254 | 21,615 |
| **Surplus/(deficit) attributable to the Australian Government** | **4,539** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **4,539** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **4,539** | **-** | **-** | **-** | **-** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **4,539** | **-** | **-** | **-** | **-** |
| **Net cash operating surplus/ (deficit)** | **4,539** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 11,166 | 11,313 | 11,392 | 11,450 | 11,536 |
| Trade and other receivables | 184 | 184 | 184 | 184 | 184 |
| ***Total financial assets*** | ***11,350*** | ***11,497*** | ***11,576*** | ***11,634*** | ***11,720*** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 2,344 | 1,851 | 1,358 | 865 | 372 |
| Other non-financial assets | 28 | 28 | 28 | 28 | 28 |
| ***Total non-financial assets*** | ***2,372*** | ***1,879*** | ***1,386*** | ***893*** | ***400*** |
| **Total assets** | **13,722** | **13,376** | **12,962** | **12,527** | **12,120** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 3,613 | 3,622 | 3,626 | 3,691 | 3,685 |
| Other payables | 175 | 175 | 175 | 175 | 175 |
| ***Total payables*** | ***3,788*** | ***3,797*** | ***3,801*** | ***3,866*** | ***3,860*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 1,904 | 1,483 | 999 | 499 | 32 |
| ***Total interest bearing liabilities*** | ***1,904*** | ***1,483*** | ***999*** | ***499*** | ***32*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 728 | 794 | 860 | 860 | 926 |
| Other provisions | 275 | 275 | 275 | 275 | 275 |
| ***Total provisions*** | ***1,003*** | ***1,069*** | ***1,135*** | ***1,135*** | ***1,201*** |
| **Total liabilities** | **6,695** | **6,349** | **5,935** | **5,500** | **5,093** |
| **Net assets** | **7,027** | **7,027** | **7,027** | **7,027** | **7,027** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Retained surplus (accumulated deficit) | 7,027 | 7,027 | 7,027 | 7,027 | 7,027 |
| **Total equity** | **7,027** | **7,027** | **7,027** | **7,027** | **7,027** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |
| --- | --- | --- |
|  | Retained earnings $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2022** |  |  |
| Balance carried forward from previous period | 7,027 | 7,027 |
| ***Adjusted opening balance*** | ***7,027*** | ***7,027*** |
| **Estimated closing balance as at 30 June 2023** | **7,027** | **7,027** |
| **Closing balance attributable to the Australian Government** | **7,027** | **7,027** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 18,967 | 20,939 | 21,090 | 21,254 | 21,615 |
| ***Total cash received*** | ***18,967*** | ***20,939*** | ***21,090*** | ***21,254*** | ***21,615*** |
| **Cash used** |  |  |  |  |  |
| Employees | 8,941 | 13,485 | 14,501 | 15,622 | 16,576 |
| Suppliers | 3,261 | 6,886 | 6,026 | 5,074 | 4,486 |
| ***Total cash used*** | ***12,202*** | ***20,371*** | ***20,527*** | ***20,696*** | ***21,062*** |
| **Net cash from/ (used by) operating activities** | **6,765** | **568** | **563** | **558** | **553** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 232 | - | - | - | - |
| ***Total cash used*** | ***232*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/ (used by) investing activities** | **(232)** | **-** | **-** | **-** | **-** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 260 | 421 | 484 | 500 | 467 |
| ***Total cash used*** | ***260*** | ***421*** | ***484*** | ***500*** | ***467*** |
| **Net cash from/ (used by) financing activities** | **(260)** | **(421)** | **(484)** | **(500)** | **(467)** |
| **Net increase/(decrease) in cash held** | **6,273** | **147** | **79** | **58** | **86** |
| Cash and cash equivalents at the beginning of the reporting period | 4,893 | 11,166 | 11,313 | 11,392 | 11,450 |
| **Cash and cash equivalents at the end of the reporting period** | **11,166** | **11,313** | **11,392** | **11,450** | **11,536** |

Prepared on Australian Accounting Standards basis.

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

This table is not provided as NAIF does not currently have any capital budget.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |
| --- | --- | --- |
|  | **Asset Category** | |
|  | Other property, plant and equipment $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |
| Gross book value | 232 | 232 |
| Gross book value - ROU assets | 2,430 | 2,430 |
| Accumulated depreciation/amortisation and impairment | (15) | (15) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (303) | (303) |
| **Opening net book balance** | **2,344** | **2,344** |
| **Other movements** |  |  |
| Depreciation/amortisation expense | (32) | (32) |
| Depreciation/amortisation on ROU assets | (461) | (461) |
| **Total other movements** | **(493)** | **(493)** |
| **As at 30 June 2023** |  |  |
| Gross book value | 232 | 232 |
| Gross book value - ROU assets | 2,430 | 2,430 |
| Accumulated depreciation/amortisation and impairment | (47) | (47) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (764) | (764) |
| **Closing net book balance** | **1,851** | **1,851** |

Prepared on Australian Accounting Standards basis.

Old Parliament House

Entity resources and planned performance

Old Parliament House

[Section 1: Entity overview and resources 495](#_Toc115866215)

[1.1 Strategic direction statement 495](#_Toc115866216)

[1.2 Entity resource statement 496](#_Toc115866217)

[1.3 Budget measures 496](#_Toc115866218)

[Section 2: Outcomes and planned performance 497](#_Toc115866219)

[2.1 Budgeted expenses and performance for Outcome 1 498](#_Toc115866220)

[Section 3: Budgeted financial statements 502](#_Toc115866221)

[3.1 Budgeted financial statements 502](#_Toc115866222)

[3.2 Budgeted financial statements tables 503](#_Toc115866223)

# Old Parliament House

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Museum of Australian Democracy (MoAD) was established in Old Parliament House (OPH) in 2009 to provide an enriched understanding and appreciation of the political legacy and intrinsic value of Australian democracy. OPH provides transformative learning experiences through formal, curriculum-based programs for schools and unique informal experiences through exhibitions, youth parliaments, self-directed learning and online engagement as it explores what it means to be an informed and engaged citizen.

As the home of our Federal Parliament from 1927 to 1988 and an icon of outstanding national heritage significance, OPH aims to communicate the spirit of Old Parliament House as a significant national heritage site, while ensuring the building and heritage collections are conserved for future generations.

OPH’s 2018–23 Strategic Plan outlines the vision and direction to build upon its strategic priorities of bold, relevant, authentic and dynamic content and activities. The priorities which support its strategic direction and align with broader government objectives are:

* Our exhibitions, events, collections research and education programs will provoke thoughtful engagement through stories and creative interpretations of past and current events informed by authoritative research and data analysis. We will advance national conversations about democracy.
* We promote active citizenship via a suite of audience experiences and targeted activities that are timely and influential, and which support inclusion and build civic and social cohesion.
* In this nationally significant building, we will create a vibrant and contemporary hub that empowers civic and individual engagement in the democratic process. Progress will be achieved in harmony with heritage values that recognise, preserve and communicate the spirit of place.
* Our organisational culture will enable MoAD and its valued staff to be nimble, collaborative and efficient. Our actions and relationships will ensure ongoing relevance and financial sustainability.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to OPH 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 OPH’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: OPH resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **7,652** | **8,579** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 13,569 | 14,970 |
| Annual appropriations - other services (b) |  |  |
| Equity injection | 5,094 | 4,414 |
| Total annual appropriations | 18,663 | 19,384 |
| **Total funds from Government** | **18,663** | **19,384** |
| **Funds from other sources** |  |  |
| Sale of goods and services | 2,385 | 1,961 |
| **Total funds from other sources** | **2,385** | **1,961** |
| **Total net resourcing for OPH** | **28,700** | **29,924** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 78 | 73 |

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.

1. Appropriation Bill (No.1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Appropriation Bill (No. 2) 2022, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.

The OPH 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 (a non-corporate Commonwealth entity), which are then paid to OPH and considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures relating to OPH for the 2022-23 October 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 measure 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 Old Parliament House can be found at: https://www.moadoph.gov.au/about/corporate-documents/  The most recent annual performance statement can be found at: https://www.moadoph.gov.au/about/annual-reports/ |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs |

#### Budgeted expenses for Outcome 1

This table shows how much the OPH intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Old Parliament House** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 13,569 | 14,970 | 14,665 | 14,711 | 14,722 |
| Expenses not requiring appropriation in the Budget year (a) | 9,061 | 5,844 | 6,041 | 6,030 | 6,017 |
| Revenues from other independent sources | 2,788 | 1,961 | 2,399 | 2,520 | 2,637 |
| **Total expenses for Program 1.1** | **25,418** | **22,775** | **23,105** | **23,261** | **23,376** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 13,569 | 14,970 | 14,665 | 14,711 | 14,722 |
| Expenses not requiring appropriation in the Budget year (a) | 9,061 | 5,844 | 6,041 | 6,030 | 6,017 |
| Revenues from other independent sources | 2,788 | 1,961 | 2,399 | 2,520 | 2,637 |
| **Total expenses for Outcome 1** | **25,418** | **22,775** | **23,105** | **23,261** | **23,376** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 78 | 73 |

1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| Outcome 1 — An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs | | |
| **Program 1.1 – Old Parliament House**  OPH’s collection is of national, regional and local significance. It captures the ideas, movements, individuals and events of Australian democracy and the story of this nationally listed heritage place, Old Parliament House, which was home to the Federal Parliament for 61 years. OPH offers a spectrum of entry points: through interpretations of the building, in-house and touring exhibitions, onsite and online projects, education and public programs, children’s activities and opportunities to experience the spirit of Old Parliament House through festivals and events. | | |
| **Key Activities** | The Program will be delivered in the following ways:   * Ensuring the heritage values of Old Parliament House are recognised, preserved and communicated * Managing a collection of national, regional and local significance to document and illustrate the development of Australian democracy * Providing enhanced visitor experiences through participation onsite and online * Providing quality learning programs that align with national curriculum requirements both onsite and to regional and remote areas through our digital excursion program * Delivering critical capital works program and conservation of key heritage spaces. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | **Deliver a spectrum of experiences** – exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy. | Due to the closure of the Museum from the impacts of COVID and the fire, OPH did not meet onsite KPI’s. OPH exceeded online KPI’s.  Actual: 79,956 number of visits to the organisation.  Actual: 15,705 number of offsite visitors to the organisation.  Actual: 978,371 number of visits to the organisation’s website.  Actual: 98% of visitors were satisfied with their visit.  Actual: 14,858 people participating in public programs. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 cont. | **Deliver a spectrum of experiences** – exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy, cont. | Actual: 24,396 students and teachers participating in school programs onsite and offsite.  Actual: 722,562 students and teachers participating in virtual and online excursions.  Actual: 908 educational institutions participating in organised school learning programs.  Actual: 99% of teachers reporting overall positive experience.  Actual: 98% of teachers reporting relevance to the classroom curriculum. |
|  | **Collect, share and digitise —** build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | Actual: 23% of the total collection available to the public.  Actual: 85% of the total collection digitised. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | **Deliver a spectrum of experiences —**exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy. | 180,000 number of visits to the organisation.  30,000 number of offsite visitors  800,000 number of visits to the organisation’s website.  90% of visitors were satisfied with their visit.  35,000 people participating in public programs.  70,000 students and teachers participating in school programs onsite and offsite.  110,000 students and teachers participating in virtual and online excursions.  250,000 student classroom resources reach  900 educational institutions participating in organised school learning programs.  95% of teachers reporting overall positive experience.  95% of teachers reporting relevance to the classroom curriculum. |
|  | **Collect, share and digitise—**build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | 35% of the total collection available to the public.  90% of the total collection digitised |
|  | **A sustainable and thriving future —**build and maintain a sustainable structure. | 100% of volunteers undertake training  90% of tenancy spaces occupied  Rank in the top 15 agencies in the APS employee Census |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Forward Estimates  2023-26 | **Deliver a spectrum of experiences** —exhibitions, events, learning programs and digital activities that allow our audience to engage with the concepts and history of democracy. | 220,000 number of visits to the organisation by 2025-26.  45,000 number of offsite visitors by 2025-26.  980,000 number of visits to the organisation’s website by 2025-26.  Maintain 90% of visitors satisfied with their visit.  60,000 people participating in public programs by 2025-26.  80,000 students and teachers participating in school programs onsite and offsite by 2025-26.  115,000 students and teachers participating in virtual and online excursions by 2025-26.  320,000 student classroom resources reach by 2025-26.  950 educational institutions participating in organised school learning programs by 2025-26.  Maintain 95% of teachers reporting overall positive experience.  Maintain 95% of teachers reporting relevance to the classroom curriculum. |
|  | **Collect, share and digitise—**build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from. | Maintain 35% of the total collection available to the public.  Maintain 90% of the total collection digitised |
|  | **A sustainable and thriving future —**build and maintain a sustainable structure. | 100% of volunteers undertake training  90% of tenancy spaces occupied  Rank in the top 15 agencies in the APS employee Census |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of OPH finances for the 2022-23 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

MoAD experienced significant disruptions to its operations during the 2021-22 financial year. Including a period of closure of over four months as a result of protest action and extensive fire damage to the front steps of the building. Soot and smoke permeated the building and water used to put out the fire also caused further damage inside.

In 2022-23, OPH will see a significant increase in capital works including the replacement of damaged sections of the roof (including remaining damage from the hail storm in January 2020), asbestos removal, hydraulics remediation, and conservation of the House of Representatives chamber. A new permanent exhibition gallery will also open.

**Comprehensive income statement**

Total budgeted income for 2022-23 is estimated to be $16.9 million, of which $15.0 million is appropriation from Government. Sale of goods and services is forecast to be $2.0 million, a slight drop from the last financial year due to the continuing impacts of COVID-19, reduced onsite visitation and the flow on effect to other revenue generating activities, such as catering. This revenue is forecasted to be impacted for the forward estimates also as we rebuild visitation.

Total expenses for 2022-23 are estimated to be $15.3 million (excluding depreciation), due to additional resources needed for the fire remediation and cyber security. Some of these expenses will be the subject of an insurance claim.

Operational losses sustained by OPH are technical accounting losses driven by the heritage depreciation on the building. OPH maintains sufficient underlying cash balances to maintain financial sustainability.

**Departmental Balance Sheet**

Total assets are budgeted to decrease slightly in 2022-23, reflecting the depreciation on non-financial assets and the impairment due to damage by the fire, offset by completed capital works during the year. $6.3 million is expected to be spent in the capital works program and includes additional funding received via equity injection for critical capital works, a further $0.2 million capital will be spent on heritage collection.

OPH classifies the building to a ‘Heritage and Cultural asset’. This is on the basis that the building reflects significant cultural heritage of the Australian nation and has satisfactorily met the criteria under the Financial Reporting Rules for Heritage and Cultural classification.3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 8,221 | 8,352 | 8,445 | 8,417 | 8,581 |
| Suppliers | 9,575 | 6,995 | 7,352 | 7,536 | 7,487 |
| Depreciation and amortisation | 7,622 | 7,428 | 7,308 | 7,308 | 7,308 |
| **Total expenses** | **25,418** | **22,775** | **23,105** | **23,261** | **23,376** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 2,787 | 1,961 | 2,399 | 2,520 | 2,637 |
| **Total own-source revenue** | **2,787** | **1,961** | **2,399** | **2,520** | **2,637** |
| **Gains** |  |  |  |  |  |
| **Total gains** | 1 | **-** | **-** | **-** | **-** |
| **Total own-source income** | **2,788** | **1,961** | **2,399** | **2,520** | **2,637** |
| **Net (cost of)/contribution by services** | **(22,630)** | **(20,814)** | **(20,706)** | **(20,741)** | **(20,739)** |
| Revenue from Government | 13,569 | 14,970 | 14,665 | 14,711 | 14,722 |
| **Surplus/(deficit) attributable to the Australian Government** | **(9,061)** | **(5,844)** | **(6,041)** | **(6,030)** | **(6,017)** |
| **Total comprehensive income/(loss)** | **(9,061)** | **(5,844)** | **(6,041)** | **(6,030)** | **(6,017)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(9,061)** | **(5,844)** | **(6,041)** | **(6,030)** | **(6,017)** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **(9,061)** | **(5,844)** | **(6,041)** | **(6,030)** | **(6,017)** |
| plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations (a) | 6,475 | 6,800 | 6,800 | 6,800 | 6,800 |
| less: lease principal repayments (b) | (223) | (472) | (228) | (228) | (228) |
| **Net cash operating surplus/ (deficit)** | **(2,809)** | **484** | **531** | **542** | **555** |

Prepared on Australian Accounting Standards basis.

1. From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental capital budget statement.
2. Applies to leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 8,579 | 7,591 | 5,972 | 4,364 | 3,352 |
| Trade and other receivables | 280 | 280 | 280 | 280 | 280 |
| ***Total financial assets*** | ***8,859*** | ***7,871*** | ***6,252*** | ***4,644*** | ***3,632*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,051 | 1,090 | 867 | 644 | 421 |
| Property, plant and equipment | 4,657 | 4,805 | 5,078 | 5,128 | 5,178 |
| Heritage and Cultural | 107,143 | 106,346 | 104,715 | 101,484 | 96,639 |
| Intangibles | 221 | 226 | 226 | 226 | 226 |
| Inventories | 102 | 102 | 102 | 102 | 102 |
| Other non-financial assets | 116 | 116 | 116 | 116 | 116 |
| ***Total non-financial assets*** | ***113,290*** | ***112,685*** | ***111,104*** | ***107,700*** | ***102,682*** |
| **Total assets** | **122,149** | **120,556** | **117,356** | **112,344** | **106,314** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,519 | 1,519 | 1,519 | 1,519 | 1,519 |
| Other payables | 60 | 60 | 60 | 60 | 60 |
| **Total payables** | **1,579** | **1,579** | **1,579** | **1,579** | **1,579** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 1,146 | 983 | 755 | 527 | 299 |
| ***Total interest bearing liabilities*** | ***1,146*** | ***983*** | ***755*** | ***527*** | ***299*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,266 | 2,266 | 2,266 | 2,266 | 2,266 |
| ***Total provisions*** | ***2,266*** | ***2,266*** | ***2,266*** | ***2,266*** | ***2,266*** |
| **Total liabilities** | **4,991** | **4,828** | **4,600** | **4,372** | **4,144** |
| **Net assets** | **117,158** | **115,728** | **112,756** | **107,972** | **102,170** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 113,686 | 74,490 | 77,559 | 78,805 | 79,020 |
| Reserves | 50,310 | 50,310 | 50,310 | 50,310 | 50,310 |
| Retained surplus (accumulated deficit) | (46,838) | (9,072) | (15,113) | (21,143) | (27,160) |
| **Total parent entity interest** | **117,158** | **115,728** | **112,756** | **107,972** | **102,170** |
| **Total equity** | **117,158** | **115,728** | **112,756** | **107,972** | **102,170** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | (46,838) | 50,310 | 70,076 | 73,548 |
| Adjustment for changes in accounting  policies | 43,610 | - | - | 43,610 |
| ***Adjusted opening balance*** | ***(3,228)*** | ***50,310*** | ***70,076*** | ***117,158*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (5,844) | - | - | (5,844) |
| ***Total comprehensive income*** | ***(5,844)*** | ***-*** | ***-*** | ***(5,844)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (5,844) | - | - | (5,844) |
| **Transactions with owners** |  |  |  |  |
| Equity injection - Appropriation | - | - | 4,414 | 4,414 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***4,414*** | ***4,414*** |
| **Estimated closing balance as at  30 June 2023** | **(9,072)** | **50,310** | **74,490** | **115,728** |
| **Closing balance attributable to the Australian Government** | **(9,072)** | **50,310** | **74,490** | **115,728** |

Prepared on Australian Accounting Standards basis.Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 13,569 | 14,970 | 14,665 | 14,711 | 14,722 |
| Sale of goods and rendering of services | 3,039 | 1,961 | 2,399 | 2,520 | 2,637 |
| ***Total cash received*** | ***16,608*** | ***16,931*** | ***17,064*** | ***17,231*** | ***17,359*** |
| **Cash used** |  |  |  |  |  |
| Employees | 8,098 | 8,352 | 8,445 | 8,417 | 8,581 |
| Suppliers | 8,668 | 6,995 | 7,352 | 7,536 | 7,487 |
| ***Total cash used*** | ***16,766*** | ***15,347*** | ***15,797*** | ***15,953*** | ***16,068*** |
| **Net cash from/(used by) operating activities** | **(158)** | **1,584** | **1,267** | **1,278** | **1,291** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 3,835 | 6,514 | 5,727 | 3,904 | 2,290 |
| ***Total cash used*** | ***3,835*** | ***6,514*** | ***5,727*** | ***3,904*** | ***2,290*** |
| **Net cash from/(used by) investing activities** | **(3,835)** | **(6,514)** | **(5,727)** | **(3,904)** | **(2,290)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 5,094 | 4,414 | 3,069 | 1,246 | 215 |
| ***Total cash received*** | ***5,094*** | ***4,414*** | ***3,069*** | ***1,246*** | ***215*** |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 174 | 472 | 228 | 228 | 228 |
| ***Total cash used*** | ***174*** | ***472*** | ***228*** | ***228*** | ***228*** |
| **Net cash from/(used by) financing activities** | **4,920** | **3,942** | **2,841** | **1,018** | **(13)** |
| **Net increase/(decrease) in cash held** | **927** | **(988)** | **(1,619)** | **(1,608)** | **(1,012)** |
| Cash and cash equivalents at the beginning of the reporting period | 7,652 | 8,579 | 7,591 | 5,972 | 4,364 |
| **Cash and cash equivalents at the end of the reporting period** | **8,579** | **7,591** | **5,972** | **4,364** | **3,352** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 5,094 | 4,414 | 3,069 | 1,246 | 215 |
| **Total new capital appropriations** | **5,094** | **4,414** | **3,069** | **1,246** | **215** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 3,835 | 4,414 | 3,069 | 1,246 | 215 |
| **Total items** | **3,835** | **4,414** | **3,069** | **1,246** | **215** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 3,835 | 4,414 | 3,069 | 1,246 | 215 |
| Funded internally from departmental resources (b) | - | 2,100 | 2,658 | 2,658 | 2,075 |
| **TOTAL** | **3,835** | **6,514** | **5,727** | **3,904** | **2,290** |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes the following s74 external receipts: sponsorship, subsidy, gifts or similar contribution; internally developed assets; and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $’000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | - | 8,151 | 139,730 | 557 | 148,438 |
| Gross book value - ROU assets | 1,768 |  |  |  | 1,768 |
| Accumulated depreciation/amortisation  and impairment | - | (3,494) | (32,587) | (336) | (36,417) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (717) | - | - | - | (717) |
| **Opening net book balance** | **1,051** | **4,657** | **107,143** | **221** | **113,072** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | 450 | 6,003 | 90 | 6,543 |
| By purchase - appropriation equity - ROU assets | 280 | - | - | - | 280 |
| **Total additions** | **280** | **450** | **6,003** | **90** | **6,823** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (302) | (6,800) | (85) | (7,187) |
| Depreciation/amortisation on ROU assets | (241) | - | - | - | (241) |
| **Total other movements** | **(241)** | **(302)** | **(6,800)** | **(85)** | **(7,428)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | - | 8,601 | 145,733 | 647 | 154,981 |
| Gross book value - ROU assets | 2,048 | - | - | - | 2,048 |
| Accumulated depreciation/amortisation and impairment | - | (3,796) | (39,387) | (421) | (43,604) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (958) | - | - | - | (958) |
| **Closing net book balance** | **1,090** | **4,805** | **106,346** | **226** | **112,467** |

Prepared on Australian Accounting Standards basis.

1. Appropriation equity refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDABs.

Screen Australia

Entity resources and planned performance

Screen Australia

[Section 1: Entity overview and resources 513](#_Toc98619017)

[1.1 Strategic direction statement 513](#_Toc98619018)

[1.2 Entity resource statement 514](#_Toc98619019)

[1.3 Budget measures 515](#_Toc98619020)

[Section 2: Outcomes and planned performance 516](#_Toc98619021)

[2.1 Budgeted expenses and performance for Outcome 1 517](#_Toc98619022)

[Section 3: Budgeted financial statements 521](#_Toc98619023)

[3.1 Budgeted financial statements 521](#_Toc98619024)

[3.2 Budgeted financial statements tables 522](#_Toc98619025)

# Screen Australia

Section 1: Entity overview and resources

* 1. Strategic direction statement

Screen Australia works to support bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry.

Screen Australia’s goals are:

* engaged audiences
* compelling Australian storytelling
* successful Australian screen businesses
* highly-skilled, creative and innovative industry practitioners.

Screen Australia also aims to be an efficient and effective organisation that is responsive to industry.

Screen Australia works to achieve these goals through:

* Culture — supporting screen stories that shape our cultural imagination, contribute to our national belonging, and create a legacy for all Australians now and into the future
* Quality — encouraging creators to extend the ambitions of their projects in terms of development, writing, craft, scale and production to produce high-end content
* Innovation — supporting the creation of innovative, risk-taking content for new and evolving platforms.

Screen Australia co-finances its projects with private financing sources. International economic conditions and tightening of credit markets may impact the availability of private funds for screen projects. The environment for feature film producers is also characterised by uncertain access to distribution and a small domestic market. In addition, the difficult economic climate may affect the level of recoupment of investment flowing to Screen Australia.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to Screen Australia 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 Screen Australia’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: Screen Australia resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **23,492** | **18,771** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 40,686 | 27,834 |
| Total annual appropriations | 40,686 | 27,834 |
| Amounts received from related entities |  |  |
| Amounts from Portfolio Department (b) | 70,454 | 70,454 |
| Total amounts received from related entities | 70,454 | 70,454 |
| **Total funds from Government** | **111,140** | **98,288** |
| **Funds from industry sources** |  |  |
| **Funds from other sources** |  |  |
| Interest | 428 | 1,400 |
| Royalties | 3,703 | 4,000 |
| Sale of goods and services | 1,720 | 950 |
| Other | 3,028 | 62 |
| **Total funds from other sources** | **8,879** | **6,412** |
| **Total net resourcing for Screen Australia** | **143,511** | **123,471** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 95 | 97 |

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

(a) Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Funding provided by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts that is not specified within the annual Appropriation Bills as a payment to Screen Australia.

Screen Australia 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 Screen Australia and are considered ‘departmental’ for all purposes.

1.3 Budget measures

Table 1.2: Screen Australia October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2021-22 $'000 | 2022-23 $'000 | 2023-24 $'000 | 2024-25 $'000 | 2025-26 $'000 |
| **Receipt measures** |  |  |  |  |  |  |
| Supporting the Arts | 1.1 |  |  |  |  |  |
| Departmental receipts |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |
| **Total receipt measures** |  |  |  |  |  |  |
| Departmental |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |
| **Payment measures** |  |  |  |  |  |  |
| Supporting the Arts | 1.1 |  |  |  |  |  |
| Departmental payments |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |
| **Total payment measures** |  |  |  |  |  |  |
| Departmental |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (‑) represent a decrease in funds and a positive (+) represent an increase in funds.

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 Screen Australia can be found at: www.screenaustralia.gov.au/corporateplan  The most recent annual performance statement can be found at: www.screenaustralia.gov.au/annualreport |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| **Outcome 1: Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product** |

##### **Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: Screen Australia** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 40,686 | 27,834 | 12,034 | 12,223 | 12,355 |
| Payment from related entities | 70,454 | 70,454 | 70,454 | 70,454 | 70,454 |
| Expenses not requiring appropriation in the Budget year (a) | (210) | (255) | 231 | 112 | 37 |
| Revenues from other independent sources | 8,879 | 6,412 | 5,550 | 5,550 | 5,550 |
| **Total expenses for Program 1.1** | **119,809** | **104,445** | **88,269** | **88,339** | **88,396** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 40,686 | 27,834 | 12,034 | 12,223 | 12,355 |
| Payment from related entities | 70,454 | 70,454 | 70,454 | 70,454 | 70,454 |
| Expenses not requiring appropriation in the Budget year (a) | (210) | (255) | 231 | 112 | 37 |
| Revenues from other independent sources | 8,879 | 6,412 | 5,550 | 5,550 | 5,550 |
| **Total expenses for Outcome 1** | **119,809** | **104,445** | **88,269** | **88,339** | **88,396** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 95 | 97 |

1. Net impact of AASB 16 Leases relating to right of use (buildings) lease repayments and depreciation/ amortisation expenses of right or use assets.

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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product | | |
| **Program 1.1 – Screen Australia**  The key results will be for creative individuals and businesses, through financial and other assistance, to make high-quality film, television, interactive entertainment, and other screen programs and for these programs to attract Australian and international audiences. | | |
| **Key Activities** | Key activities reported in the current corporate plan that relate to this program, include:   * Engage, educate and inspire * Lead and collaborate | |
| Year | Performance measures | Expected Performance Results |
| Prior year  2021-22 | **Engage, educate and inspire** – increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. | Target: Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 107 million cumulative audience for Screen Australia-funded productions shown on television.  Actual: 3,027,998 admissions  Actual: 155,148,987 million  Target met  Target: 1.8 million visits to Screen Australia’s website.  Actual: 2.3 million  Target met  Target: 50 culturally diverse projects and events funded, with total funding of $8 million.  Actual: 160 culturally diverse projects and events were funded with total funding of $19.6 million.  Target met |

|  |  |  |
| --- | --- | --- |
| Year | Performance measures | Expected Performance Results |
| Prior year  2021‑22 cont. | **Lead and collaborate** – be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally. | Target: 225 new Australian artwork projects supported, with total funding of $62 million provided.  Actual: 406 projects were supported with total funding of $83.6 million provided.  Target met  Target: $0.4 million total funding for research and development projects.  Actual:$0.29 million. Due to COVID-19, planned research project with Australian Bureau of Statistics was cancelled.  Target not met |
|  | Screen Australia specific indicators:   * dollar value of production generated for each dollar of Screen Australia investment in features: $5.90 * Actual: $6.32 * dollar value of production generated for each dollar of Screen Australia investment in documentaries: $2.90 * Actual: $5.72 * dollar value of production generated for each dollar of Screen Australia investment in TV drama: $5.50 * Actual: $7.86 * dollar value of production generated for each dollar of Screen Australia investment in children’s TV drama: $3.60 * Actual: $5.81 |
| Year | Performance measures | Planned Performance Results |
| Budget year 2022‑23 | **Engage, educate and inspire** – increaseengagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways. | Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 91 million cumulative audience for Screen Australia- funded productions shown on television.  1.8 million visits to Screen Australia’s website.  50 culturally diverse projects and events funded, with total funding of $8 million. |

|  |  |  |
| --- | --- | --- |
| Year | Performance measures | Planned Performance Results |
| Budget year 2022‑23 cont. | **Lead and collaborate** – be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally. | 225 new Australian artwork projects supported, with total funding of $74 million provided.  $0.4 million total funding for research and development projects.  Screen Australia specific indicators:   * dollar value of production generated for each dollar of Screen Australia investment in features: $5.90 * dollar value of production generated for each dollar of Screen Australia investment in documentaries: $2.90 * dollar value of production generated for each dollar of Screen Australia investment in TV drama: $5.50 * dollar value of production generated for each dollar of Screen Australia investment in children’s TV drama: $3.60. |
| Forward Estimates  2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of Screen Australia’s finances for the 2022-23 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

Screen Australia’s budget has been developed on the underlying principle of a balanced budget, (that is, annual expense matches the annual revenue forecast to be received) adjusted for any surplus/deficit impacts arising from accounting for leases under AASB 16 Leases.

Total expenses for 2022–23 are estimated to be 104.4 million and will be used in delivering the activities outlined in Program 1.1.

Total income for 2022–23 is estimated to be $104.7 million. Screen Australia’s revenue from Government for 2022–23 is $98.3 million. Screen Australia is also expecting to generate $6.4 million in own source revenue in 2022–23. This will be predominantly sourced from recoupment from screen investments, interest income and rendering of services.

Screen Australia continues to focus on containing administrative operating expenses to maximise funds directed to on-screen production.

Screen Australia has budgeted $0.8 million in capital expenditure.

Screen Australia’s budgeted net asset position of $14.7 million is expected to comprise total assets of $92.5 million, less liabilities of $77.8 million.

Total financial assets as at 30 June 2023 are estimated to be $89.8 million which represents 97 per cent of the total asset value. A significant proportion of Screen Australia’s financial assets (cash and investments in term deposits) have been committed to funding screen projects.

Total liabilities are estimated to be $77.8 million as at 30 June 2023 of which 94 per cent relates to obligations to pay amounts under executed screen industry contracts.

3.2 Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | | 2025-26 Forward estimate $'000 | |
| **EXPENSES** | |  |  |  |  | |  | |
| Employee benefits | | 13,274 | 14,243 | 14,503 | 14,763 | | 15,023 | |
| Suppliers | | 5,968 | 6,592 | 6,709 | 6,709 | | 6,709 | |
| Grants | | 49,206 | 37,052 | 30,034 | 29,997 | | 29,799 | |
| Depreciation and amortisation | | 1,774 | 1,906 | 2,519 | 2,519 | | 2,529 | |
| Finance costs | | 32 | 16 | 93 | 115 | | 100 | |
| Write-down and impairment of assets | | 49,421 | 44,636 | 34,411 | 34,236 | | 34,236 | |
| Losses from asset sales | | 134 | - | - | - | | - | |
| **Total expenses** | | **119,809** | **104,445** | **88,269** | **88,339** | | **88,396** | |
| **LESS:** | |  |  |  |  | |  | |
| **OWN-SOURCE INCOME** | |  |  |  |  | |  | |
| **Own-source revenue** | |  |  |  |  | |  | |
| Sale of goods and rendering of services | | 1,720 | 950 | 150 | 150 | | 150 | |
| Interest | | 428 | 1,400 | 1,400 | 1,400 | | 1,400 | |
| Royalties | | 3,703 | 4,000 | 4,000 | 4,000 | | 4,000 | |
| Other | | 1,445 | - | - | - | | - | |
| **Total own-source revenue** | | **7,296** | **6,350** | **5,550** | **5,550** | | **5,550** | |
| **Gains** | |  |  |  |  | |  | |
| Other | | 1,583 | 62 | - | - | | - | |
| **Total gains** | | **1,583** | **62** | **-** | **-** | | **-** | |
| **Total own-source income** | | **8,879** | **6,412** | **5,550** | **5,550** | | **5,550** | |
| **Net (cost of)/contribution by services** | | **(110,930)** | **(98,033)** | **(82,719)** | **(82,789)** | | **(82,846)** | |
| Revenue from Government | | 111,140 | 98,288 | 82,488 | 82,677 | | 82,809 | |
| **Surplus/(deficit) attributable to the Australian Government** | | **210** | **255** | **(231)** | **(112)** | | **(37)** | |
| **Total other comprehensive income** | | **-** | **-** | **-** | **-** | | **-** | |
| **Total comprehensive income/(loss)** | | **210** | **255** | **(231)** | **(112)** | | **(37)** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | | **210** | **255** | **(231)** | **(112)** | | **(37)** | |
| **Note: Impact of net cash appropriation arrangements** | | | |  | |  | |  | |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **210** | | **255** | **(231)** | | **(112)** | | **(37)** | |
| plus: depreciation/amortisation expenses for ROU assets (a) | 1,056 | | 1,056 | 1,669 | | 1,669 | | 1,679 | |
| less: lease principal repayments (a) | (1,246) | | (1,311) | (1,438) | | (1,557) | | (1,642) | |
| **Net cash operating surplus/ (deficit)** | **20** | | **-** | **-** | | **-** | | **-** | |

Prepared on Australian Accounting Standards basis.

1. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 18,771 | 18,771 | 18,771 | 18,771 | 18,771 |
| Trade and other receivables | 3,191 | 3,191 | 3,191 | 3,191 | 3,191 |
| Other investments | 68,002 | 67,835 | 67,798 | 67,930 | 68,050 |
| ***Total financial assets*** | ***89,964*** | ***89,797*** | ***89,760*** | ***89,892*** | ***90,012*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 2,498 | 967 | 6,659 | 5,717 | 4,013 |
| Property, plant and equipment | 613 | 1,053 | 1,238 | 1,263 | 1,238 |
| Intangibles | 15 | - | - | - | - |
| Other non-financial assets | 653 | 653 | 653 | 653 | 653 |
| ***Total non-financial assets*** | ***3,779*** | ***2,673*** | ***8,550*** | ***7,633*** | ***5,904*** |
| **Total assets** | **93,743** | **92,470** | **98,310** | **97,525** | **95,916** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 225 | 225 | 225 | 225 | 225 |
| Other payables | 619 | 670 | 677 | 759 | 829 |
| ***Total payables*** | ***844*** | ***895*** | ***902*** | ***984*** | ***1,054*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 2,383 | 801 | 6,862 | 6,107 | 4,465 |
| ***Total interest bearing liabilities*** | ***2,383*** | ***801*** | ***6,862*** | ***6,107*** | ***4,465*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 2,554 | 2,554 | 2,554 | 2,554 | 2,554 |
| Other provisions | 73,502 | 73,505 | 73,508 | 73,508 | 73,508 |
| ***Total provisions*** | ***76,056*** | ***76,059*** | ***76,062*** | ***76,062*** | ***76,062*** |
| **Total liabilities** | **79,283** | **77,755** | **83,826** | **83,153** | **81,581** |
| **Net assets** | **14,460** | **14,715** | **14,484** | **14,372** | **14,335** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 9,505 | 9,505 | 9,505 | 9,505 | 9,505 |
| Reserves | 45 | 45 | 45 | 45 | 45 |
| Retained surplus (accumulated deficit) | 4,910 | 5,165 | 4,934 | 4,822 | 4,785 |
| ***Total parent entity interest*** | ***14,460*** | ***14,715*** | ***14,484*** | ***14,372*** | ***14,335*** |
| **Total equity** | **14,460** | **14,715** | **14,484** | **14,372** | **14,335** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |
| Balance carried forward from previous period | 4,910 | 45 | 9,505 | 14,460 |
| ***Adjusted opening balance*** | ***4,910*** | ***45*** | ***9,505*** | ***14,460*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | 255 | - | - | 255 |
| ***Total comprehensive income*** | ***255*** | ***-*** | ***-*** | ***255*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | 255 | - | - | 255 |
| **Estimated closing balance as at 30 June 2023** | **5,165** | **45** | **9,505** | **14,715** |
| **Closing balance attributable to the Australian Government** | **5,165** | **45** | **9,505** | **14,715** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 39,466 | 27,834 | 12,034 | 12,223 | 12,355 |
| Receipts from Government | 70,454 | 70,454 | 70,454 | 70,454 | 70,454 |
| Sale of goods and rendering of services | 1,816 | 965 | 165 | 165 | 165 |
| Interest | 334 | 1,400 | 1,400 | 1,400 | 1,400 |
| Net GST received | 8,402 | 7,500 | 7,500 | 7,500 | 7,500 |
| Other | 4,784 | 4,231 | 4,231 | 4,231 | 4,231 |
| ***Total cash received*** | ***125,256*** | ***112,384*** | ***95,784*** | ***95,973*** | ***96,105*** |
| **Cash used** |  |  |  |  |  |
| Employees | 13,252 | 14,192 | 14,496 | 14,681 | 14,953 |
| Suppliers | 5,252 | 7,251 | 7,380 | 7,380 | 7,380 |
| Interest payments on lease liability | 27 | 13 | 90 | 112 | 97 |
| Other | 51,341 | 44,139 | 37,109 | 37,072 | 36,874 |
| ***Total cash used*** | ***69,872*** | ***65,595*** | ***59,075*** | ***59,245*** | ***59,304*** |
| **Net cash from operating activities** | **55,384** | **46,789** | **36,709** | **36,728** | **36,801** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, plant and equipment | 2 | - | - | - | - |
| Proceeds from sales of financial instruments | 156,593 | 180,062 | 180,000 | 180,000 | 180,000 |
| ***Total cash received*** | ***156,595*** | ***180,062*** | ***180,000*** | ***180,000*** | ***180,000*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 651 | 800 | 800 | 800 | 800 |
| Purchase of financial instruments | 174,468 | 180,533 | 180,663 | 180,832 | 180,820 |
| On-screen Investments | 40,176 | 43,936 | 33,711 | 33,539 | 33,539 |
| ***Total cash used*** | ***215,295*** | ***225,269*** | ***215,174*** | ***215,171*** | ***215,159*** |
| **Net cash (used by) investing activities** | **(58,700)** | **(45,207)** | **(35,174)** | **(35,171)** | **(35,159)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 1,405 | 1,582 | 1,535 | 1,557 | 1,642 |
| ***Total cash used*** | ***1,405*** | ***1,582*** | ***1,535*** | ***1,557*** | ***1,642*** |
| **Net cash (used by) financing activities** | **(1,405)** | **(1,582)** | **(1,535)** | **(1,557)** | **(1,642)** |
| **Net (decrease) in cash held** | **(4,721)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 23,492 | 18,771 | 18,771 | 18,771 | 18,771 |
| **Cash and cash equivalents at the end of the reporting period** | **18,771** | **18,771** | **18,771** | **18,771** | **18,771** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from Departmental resources (a) | 651 | 800 | 800 | 800 | 800 |
| **TOTAL** | **651** | **800** | **800** | **800** | **800** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 651 | 800 | 800 | 800 | 800 |
| **Total cash used to acquire assets** | **651** | **800** | **800** | **800** | **800** |

Prepared on Australian Accounting Standards basis.

1. Includes current Appropriation Bill 1 and revenue from independent sources.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | **Asset Category** | | | |
|  | Buildings    $'000 | | Other property, plant and equipment $'000 | Computer software and intangibles  $'000 | Total    $'000 |
| **As at 1 July 2022** |  | |  |  |  |
| Gross book value | 4,068 | | 1,991 | 933 | 6,992 |
| Gross book value - ROU assets | 9,812 | | - | - | 9,812 |
| Accumulated depreciation/amortisation and impairment | (3,252) | | (1,378) | (918) | (5,548) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (8,130) | | - | - | (8,130) |
| **Opening net book balance** | **2,498** | | **613** | **15** | **3,126** |
| **Capital asset additions** |  | |  |  |  |
| **Estimated expenditure on new or replacement assets** |  | |  |  |  |
| By purchase - appropriation ordinary annual services (a) | 75 | | 725 | - | 800 |
| **Total additions** | **75** | | **725** | **-** | **800** |
| **Other movements** |  | |  |  |  |
| Depreciation/amortisation expense | (550) | | (285) | (15) | (850) |
| Depreciation/amortisation on ROU | (1,056) | | - | - | (1,056) |
| **Total other movements** | **(1,606)** | | **(285)** | **(15)** | **(1,906)** |
| **As at 30 June 2023** |  | |  |  |  |
| Gross book value | 4,143 | | 2,716 | 933 | 7,792 |
| Gross book value - ROU assets | 9,812 | | - | - | 9,812 |
| Accumulated depreciation/amortisation and impairment | (3,802) | | (1,663) | (933) | (6,398) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (9,186) | | - | - | (9,186) |
| **Closing net book balance** | **967** | | **1,053** | **-** | **2,020** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, departmental capital budget or other operational expenses.

Special Broadcasting Service Corporation

Entity resources and planned performance

Special Broadcasting Service Corporation

[Section 1: Entity overview and resources 533](#_Toc114218197)

[1.1 Strategic direction statement 533](#_Toc114218198)

[1.2 Entity resource statement 536](#_Toc114218199)

[1.3 Budget measures 536](#_Toc114218200)

[Section 2: Outcomes and planned performance 537](#_Toc114218201)

[2.1 Budgeted expenses and performance for Outcome 1 538](#_Toc114218202)

[Section 3: Budgeted financial statements 542](#_Toc114218203)

[3.1 Budgeted financial statements 542](#_Toc114218204)

[3.2. Budgeted financial statements tables 543](#_Toc114218205)

# 

# Special Broadcasting Service Corporation

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Special Broadcasting Service Corporation (SBS) is a national broadcasting and media service that provides multicultural and multilingual television, radio and digital media services that inform, educate and entertain all Australians. SBS’s purpose is to inspire all Australians to explore, respect and celebrate our diverse world, and in doing so, contribute to a cohesive society. SBS and its functions are guided by its Charter in section 6 of the *Special Broadcasting Service Act 1991* (SBS Act).

*SBS is unique in the Australian media landscape*

The SBS Charter, hybrid funding model, multiplatform content offering, and breadth of in-language services (more than 60 languages), set SBS apart from other Australian and global broadcasters and media providers. SBS is the most multilingual broadcaster in the world, and is also home to NITV (National Indigenous Television), the only national broadcasting and media service made by and for Indigenous Australians. The network’s unique position in the industry enables it to present compelling, distinctive and thought-provoking content that no other Australian media organisation provides.

SBS was established to positively contribute to Australia’s social outcomes, recognising Australia is a nation built on migration. For over 45 years, SBS has played an essential role in Australia’s success as a multicultural society.

*SBS supports broader social and policy objectives*

SBS contributes to the ongoing development of a vibrant and cohesive multicultural Australian society through its broad offering of multilingual and multicultural radio, television and digital programs and services to meet the needs of multicultural and First Nations Australians.

Recent census results show that Australia is more multilingual than ever. Since 2011, the number of people ‘not only using English at home’ increased to more than 5.6 million in 2021, representing an increase of more than 1.5 million since 2011 and nearly 800,000 since 2016 – growing at almost double the rate of the general population. A further 3.2 per cent of the population identify as Aboriginal and/or Torres Strait Islander.

With this increasing cultural and linguistic diversity, there is even greater need to build mutual understanding and respect between different sections of the community. SBS is inherently multilingual with an accelerating multifaceted language strategy to serve Australia’s language communities as they grow and change.

Delivering on SBS’s purpose and Charter in the upcoming years sees continued focus on SBS offering a distinctive network across both traditional and digital platforms to allow a diverse array of views and voices to be represented in mainstream media. SBS will continue to evolve its services to meet the needs of audiences, reflecting changes in social and demographic composition, technological developments and innovation.

SBS has a unique ability to reach Australia’s many language communities through its multiplatform services in English and over 60 languages. SBS provides a forum for debate and discussion vital to Australia’s ability to address significant issues facing communities and our society as a whole.  By providing trusted news and information, and a platform for civic debate – in a broad range of Australia’s languages – SBS’s services are vital to Australian democracy, and a sense of belonging for all Australians.

In addition to the news and information services on radio and digital media, SBS produces SBS World News and Nula (NITV news and current affairs) seven days a week, and produces television news bulletins in Arabic and Mandarin five days a week, with all services delivering accurate and up-to-date information. The importance of NITV as a news source is increasingly apparent against the background of national discourse on issues including constitutional change and Indigenous recognition.

*SBS remains a trustworthy source of diverse stories and perspectives*

In a world of growing polarisation of views in the media, developing and maintaining trust with audiences will continue to be a challenge for traditional media, social media and digital platforms. Public broadcasting plays an important role in providing balanced and impartial news, setting the tone of public and media discourse and ensuring diverse stories and perspectives are presented, particularly in a landscape where ownership of broadcast television and multinational digital platforms is becoming more concentrated. SBS continues to be one of Australia's most trusted news sources with a long-held and well-earned reputation for quality news and analysis on global events, especially issues across multicultural and First Nations Australia.  SBS is also making more Australian content than ever before, including distinctive dramas and factual programming that truly reflect our community.

SBS will look to further its value across policy portfolios. Our aim is to unlock the full potential value of existing services and activities, while preserving our editorial independence.

Traditional broadcast television continues to represent the majority of free-to-air viewing in Australia. However, an ongoing proliferation of new local and international streaming video on demand (SVOD) options is continuing to drive changes in how Australians consume video content.

COVID-19 saw positive audience growth, with SBS acting as a trusted source of information in the context of increasing misinformation, however well-established trends have resumed with consumption across all age groups declining since 2017. Intense competition for audiences and content from the new streaming services means that maintaining overall audience consumption (on television and online) for all broadcasters, including SBS, will be more challenging in the coming years.

While COVID impacts on content supply and pricing, inflation, and the rise in commissioning costs stemming from increased competition for content will continue to place pressure on SBS’s acquisitions costs base, they are expected to normalise in the medium term. SBS also maintains strong relationships with key suppliers in genres that are strategically important (e.g. documentaries, drama, food, foreign movies) to SBS’s multichannel and multiplatform strategy.

New entrants to the market may impact SBS’s competitive standing when they compete directly with SBS for content and/or compete with SBS for audience time. However, it is worth noting that not all new market entrants have an impact on SBS – for example those which focus on premium sports or children’s content. SBS’s distinctive voice and unique content offering sets it apart from its competitors.

*SBS’s response to these challenges will be informed by its purpose and values*

Against the background of increasing competition but also a growing need for SBS’s purpose of inspiring all Australians to explore, respect and celebrate our diverse world, and in doing so, contribute to a cohesive society, SBS will:

1. Maintain SBS’s competitive difference in a crowded market for audiences through Australian stories, local production and Indigenous and multicultural content, and continue to elevate the role of our trusted news and information.
2. Continue our journey as a contemporary multilingual broadcaster as Australia becomes even more multicultural and linguistically diverse, making our purpose even more relevant.
3. Further SBS’s ability to provide essential information to our stakeholder communities and become an essential partner to government agencies while preserving editorial independence.
4. Drive awareness of Indigenous affairs and take a leadership role on reconciliation in Australia via our Elevate Reconciliation Action Plan.
5. Optimise our digital, data, commercialisation and technology capabilities to deliver enhanced audience experiences across all platforms in a cost-effective way.
6. Keep our staff safe as we manage ongoing impacts of COVID-19, while implementing our new ways of working and focusing on the employee experience to attract and retain the best talent.
7. Make SBS a great and inclusive place to work via our next iteration of our Inclusion, Equity and Diversity Strategy which will also deliver benefits to our industry and stakeholders.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to SBS 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 SBS’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: SBS resource statement — Budget estimates for 2022-23 as at Budget October 2022

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | **11,790** | **9,253** |
| **Funds from Government** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Outcome 1 | 310,021 | 316,805 |
| Total annual appropriations | 310,021 | 316,805 |
| **Total funds from Government** | **310,021** | **316,805** |
| **Funds from other sources** |  |  |
| Interest | 616 | 1,800 |
| Royalties | 1,254 | 1,300 |
| Sale of goods and services | 152,912 | 175,880 |
| Other | - | 454 |
| **Total funds from other sources** | **154,782** | **179,434** |
| **Total net resourcing for SBS** | **476,593** | **505,492** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 1,249 | 1,352 |

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.

1. Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

SBS 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   
(a non-corporate Commonwealth entity), which are then paid to SBS and are considered ‘departmental’ for all purposes.

1.3 Budget measures

There are no measures for SBS for the 2022-23 October 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 measure 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 (SBS) can be found at: https://www.sbs.com.au/aboutus/sites/sbs.com.au.aboutus/files/sbs\_corporate\_plan\_fy22-23.pdf  The most recent annual performance statement can be found at: https://www.sbs.com.au/aboutus/sbs-2021-22-annual-report |

2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia’s multicultural society |

##### **Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **Program 1.1: SBS General Operational Activities** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 240,175 | 245,701 | 259,624 | 256,750 | 258,318 |
| Expenses not requiring appropriation in the Budget year | - | 19,500 | - | - | - |
| Revenues from other independent sources | 148,989 | 179,078 | 158,951 | 163,562 | 168,376 |
| **Total expenses for Program 1.1** | **389,164** | **444,279** | **418,575** | **420,312** | **426,694** |
| **Program 1.2: SBS Transmission and Distribution Services** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 69,846 | 71,104 | 74,362 | 75,840 | 80,194 |
| Revenues from other independent sources | 641 | - | - | - | - |
| **Total expenses for Program 1.2** | **70,487** | **71,104** | **74,362** | **75,840** | **80,194** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 310,021 | 316,805 | 333,986 | 332,590 | 338,512 |
| Expenses not requiring appropriation in the Budget year | - | 19,500 | - | - | - |
| Revenues from other independent sources | 149,630 | 179,078 | 158,951 | 163,562 | 168,376 |
| **Total expenses for Outcome 1** | **459,651** | **515,383** | **492,937** | **496,152** | **506,888** |

|  |  |  |
| --- | --- | --- |
|  | 2021-22 | 2022-23 |
| **Average staffing level (number)** | 1,249 | 1,352 |

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.

Table 2.1.2: Performance measure 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 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |  |  |
| --- | --- | --- |
| **Outcome 1** – Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia’s multicultural society | | |
| **Program 1.1 – SBS General Operational Activities**  Delivering multilingual and multicultural television, radio and digital media services that reflect Australia’s multicultural society and inspire all Australians to explore and celebrate our diverse world, and in doing so promote social cohesion amongst the many cultures of our nation. | | |
| **Key Activities** | Content creation, acquisition, curation and content commercialisation | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Number of hours of TV programming broadcast in CALD – all linear channels | Target: 28,500 hours  Actual: 30,713 hours of CALD programming broadcast  Target met |
| Number of hours of locally commissioned programs broadcast (first run) all linear channels except NITV (a) | Target: 180 hours  Actual: 267 hours  Target met |
| Number of hours of locally commissioned programs broadcast (first run) NITV (a) | Target: 45 hours  Actual: 21 hours – due to ongoing COVID-19 disruptions on Indigenous productions impacting the final delivery of content  Target not met |
| Percentage of radio broadcasts in languages other than English | Target: 90%  Actual: 96%  Target met |
| Total Digital Registrations | Target: 10.2 million  Actual: 10.6 million  Target met |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Number of hours of TV programming broadcast in CALD – all linear channels | 34,300 hours of CALD programming broadcast |
| Number of hours of locally commissioned programs broadcast (first run) all linear channels except NITV (a) | 272 hours |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 cont. | Number of hours of locally commissioned content broadcast (first run) on NITV (b) | 100 hours |
| Percentage of radio broadcasts in languages other than English | 90% |
| Total Digital Registrations | 11.6 million |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 except:  Number of hours of locally commissioned content broadcast (first run) all linear channels except NITV(b)   * 2023-26: 180 hours   Total Digital Registrations:   * 2023-24: 12.3 million * 2024-25: 12.8 million * 2025-26: 13.2 million |

1. In 2021-22 and previous years, this measure included commissioned and in-house productions but excluded news and current affairs, special events and sports programming. See note (b) below for change for 2022-23.
2. The number of hours of locally commissioned content broadcast (first run) on NITV will include (from 2022-23 onwards) all NITV commissioned and in-house produced programs excluding network repeats, sport events and highlights programs, and news and current affairs. Previously, the definition was narrower, excluding special events and all sports programming. This change has been made to be more consistent with the equivalent metric for ‘all linear channels except NITV’ and better represent the breadth of NITV’s output.

|  |  |  |
| --- | --- | --- |
| **Program 1.2 – SBS Transmission and Distribution Services**  To make SBS Television and Radio services available to all Australians to enable them to receive multilingual and multicultural services that inform, educate and entertain. | | |
| **Key Activities** | Content broadcast and transmission | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year  2021-22 | Population reach – Digital transmission sites (including VAST Satellite) | Target: 100%  Actual: 100% (  Target met |
|  | Availability of digital television transmission services (fully managed services) | Target: 99.82%  Actual: 99.96%  Target met |
|  | Population reach for terrestrial services (excluding satellite) | Target: 97%  Actual: 98%  Target met |
|  | Availability of Radio transmission services (fully managed services) | Target: 99.86%  Actual: 99.99%  Target met |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23 | Population reach – Digital transmission sites (including VAST Satellite) | 100% |
|  | Availability of digital television transmission services (fully managed services) | 99.82% |
|  | Population reach for terrestrial services (excluding satellite) | 97% |
|  | Availability of Radio transmission services (fully managed services) | 99.86% |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of SBS’s finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

#### 3.1.1 Differences between entity resourcing and financial statements

The SBS projected operating result for 2022–23 is a loss of $19.5 million. The operating loss is the result of one-off expenses associated with the broadcast of a major sporting event in 2022-23. SBS, being financially responsible, has preserved three consecutive surpluses generated across 2019-20, 2020-21 and 2021-22 totalling $17.7 million to proactively manage the estimated impact of this upcoming event. These surpluses will substantially offset the costs associated with this event enabling SBS to broadcast a premium world class sporting event providing significant audience outcomes. SBS has sufficient cash reserves to absorb the estimated loss in 2022-23. The total cash and investment balance is estimated to be $32.4 million at the end of 2022-23.

Own-source revenue largely generated from sales of goods and services is budgeted at $179.1 million for 2022–23, the main component being advertising and sponsorship revenue.

**3.2 Budgeted financial statements tables**

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 165,106 | 177,308 | 177,108 | 179,272 | 181,849 |
| Suppliers | 274,014 | 322,710 | 298,929 | 300,337 | 308,410 |
| Depreciation and amortisation | 19,893 | 14,822 | 16,402 | 16,105 | 16,226 |
| Finance costs | 638 | 543 | 498 | 438 | 403 |
| **Total expenses** | **459,651** | **515,383** | **492,937** | **496,152** | **506,888** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 153,413 | 174,498 | 154,269 | 158,579 | 163,402 |
| Interest | 616 | 1,800 | 2,200 | 2,400 | 2,400 |
| Rental income | 1,411 | 1,382 | 1,400 | 1,425 | 1,449 |
| Royalties | 1,254 | 1,300 | 1,512 | 1,500 | 1,501 |
| Other | 133 | 98 | 100 | 150 | 126 |
| **Total own-source revenue** | **156,827** | **179,078** | **159,481** | **164,054** | **168,878** |
| **Total own-source income** | **156,827** | **179,078** | **159,481** | **164,054** | **168,878** |
| **Net (cost of)/contribution by services** | **(302,824)** | **(336,305)** | **(333,456)** | **(332,098)** | **(338,010)** |
| Revenue from Government | 310,021 | 316,805 | 333,986 | 332,590 | 338,512 |
| **Surplus/(deficit) attributable to the Australian Government** | **7,197** | **(19,500)** | **530** | **492** | **502** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total comprehensive income/(loss)** | **7,197** | **(19,500)** | **530** | **492** | **502** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **7,197** | **(19,500)** | **530** | **492** | **502** |
| **Note: Impact of net cash appropriation arrangements** | | |  |  |  |
| **Total comprehensive income/(loss) - as per statement of comprehensive income** | **7,197** | **(19,500)** | **530** | **492** | **502** |
| plus: depreciation/amortisation expenses for ROU assets (a) | 9,404 | 3,643 | 3,589 | 3,625 | 3,726 |
| less: lease principal repayments (a) | (9,101) | (3,684) | (3,684) | (3,600) | (3,580) |
| **Net cash operating surplus/ (deficit)** | **6,894** | **(19,459)** | **625** | **467** | **356** |

Prepared on Australian Accounting Standards basis.

1. Applies to lease arrangements under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 9,253 | 9,719 | 9,192 | 8,870 | 9,098 |
| Trade and other receivables | 29,711 | 29,755 | 29,756 | 31,164 | 31,174 |
| Other investments | 32,647 | 22,679 | 20,970 | 16,766 | 16,954 |
| ***Total financial assets*** | ***71,611*** | ***62,153*** | ***59,918*** | ***56,800*** | ***57,226*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 113,325 | 111,323 | 109,241 | 106,656 | 104,030 |
| Property, plant and equipment | 47,205 | 50,985 | 47,765 | 42,213 | 38,094 |
| Intangibles | 15,674 | 14,074 | 12,974 | 13,424 | 13,874 |
| Inventories | 93,158 | 95,670 | 102,645 | 105,288 | 110,241 |
| Other non-financial assets | 41,485 | 15,742 | 14,243 | 16,744 | 15,345 |
| ***Total non-financial assets*** | ***310,847*** | ***287,794*** | ***286,868*** | ***284,325*** | ***281,584*** |
| **Total assets** | **382,458** | **349,947** | **346,786** | **341,125** | **338,810** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 35,708 | 25,782 | 25,529 | 25,010 | 25,882 |
| Other payables | 18,008 | 17,908 | 17,654 | 16,702 | 16,672 |
| ***Total payables*** | ***53,716*** | ***43,690*** | ***43,183*** | ***41,712*** | ***42,554*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 39,140 | 35,456 | 31,772 | 26,590 | 22,941 |
| ***Total interest bearing liabilities*** | ***39,140*** | ***35,456*** | ***31,772*** | ***26,590*** | ***22,941*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 34,776 | 35,476 | 35,976 | 36,476 | 36,466 |
| Other provisions | 1,049 | 1,048 | 1,048 | 1,048 | 1,048 |
| ***Total provisions*** | ***35,825*** | ***36,524*** | ***37,024*** | ***37,524*** | ***37,514*** |
| **Total liabilities** | **128,681** | **115,670** | **111,979** | **105,826** | **103,009** |
| **Net assets** | **253,777** | **234,277** | **234,807** | **235,299** | **235,801** |
| **EQUITY** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 110,403 | 110,403 | 110,403 | 110,403 | 110,403 |
| Reserves | 96,186 | 96,186 | 96,186 | 96,186 | 96,186 |
| Retained surplus (accumulated deficit) | 47,188 | 27,688 | 28,218 | 28,710 | 29,212 |
| ***Total parent entity interest*** | ***253,777*** | ***234,277*** | ***234,807*** | ***235,299*** | ***235,801*** |
| **Total equity** | **253,777** | **234,277** | **234,807** | **235,299** | **235,801** |

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2022** |  |  |  |  |  |
| Balance carried forward from previous period | 47,188 | 96,573 | (387) | 110,403 | 253,777 |
| ***Adjusted opening balance*** | ***47,188*** | ***96,573*** | ***(387)*** | ***110,403*** | ***253,777*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (19,500) | - | - | - | (19,500) |
| ***Total comprehensive income*** | ***(19,500)*** | ***-*** | ***-*** | ***-*** | ***(19,500)*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian Government | 27,688 | 96,573 | (387) | 110,403 | 234,277 |
| **Estimated closing balance as at  30 June 2023** | **27,688** | **96,573** | **(387)** | **110,403** | **234,277** |
| **Closing balance attributable to the Australian Government** | **27,688** | **96,573** | **(387)** | **110,403** | **234,277** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 310,021 | 316,805 | 333,986 | 332,590 | 338,512 |
| Sale of goods and rendering of services | 173,870 | 191,074 | 174,065 | 176,845 | 182,771 |
| Interest | 544 | 1,800 | 2,200 | 2,400 | 2,400 |
| Other | - | 600 | 1,612 | 1,650 | 1,627 |
| ***Total cash received*** | ***484,435*** | ***510,279*** | ***511,863*** | ***513,485*** | ***525,310*** |
| **Cash used** |  |  |  |  |  |
| Employees | 164,222 | 177,108 | 176,609 | 179,023 | 181,869 |
| Suppliers | 315,106 | 323,445 | 323,308 | 324,950 | 329,042 |
| Interest payments on lease liability | 629 | 543 | 498 | 438 | 403 |
| ***Total cash used*** | ***479,957*** | ***501,096*** | ***500,415*** | ***504,411*** | ***511,314*** |
| **Net cash from/(used by) operating activities** | **4,478** | **9,183** | **11,448** | **9,074** | **13,996** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of financial instruments | 211,524 | 229,847 | 222,478 | 226,024 | 229,173 |
| ***Total cash received*** | ***211,524*** | ***229,847*** | ***222,478*** | ***226,024*** | ***229,173*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 3,412 | 15,000 | 10,000 | 10,000 | 10,000 |
| Purchase of financial instruments | 206,026 | 219,880 | 220,769 | 221,820 | 229,361 |
| ***Total cash used*** | ***209,438*** | ***234,880*** | ***230,769*** | ***231,820*** | ***239,361*** |
| **Net cash from/(used by) investing activities** | **2,086** | **(5,033)** | **(8,291)** | **(5,796)** | **(10,188)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Principal payments on lease liability | 9,101 | 3,684 | 3,684 | 3,600 | 3,580 |
| ***Total cash used*** | ***9,101*** | ***3,684*** | ***3,684*** | ***3,600*** | ***3,580*** |
| **Net cash from/(used by) financing activities** | **(9,101)** | **(3,684)** | **(3,684)** | **(3,600)** | **(3,580)** |
| **Net increase/(decrease) in cash held** | **(2,537)** | **466** | **(527)** | **(322)** | **228** |
| Cash and cash equivalents at the beginning of the reporting period | 11,790 | 9,253 | 9,719 | 9,192 | 8,870 |
| **Cash and cash equivalents at the end of the reporting period** | **9,253** | **9,719** | **9,192** | **8,870** | **9,098** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Budget  $'000 | 2023-24 Forward estimate $'000 | 2024-25 Forward estimate $'000 | 2025-26 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from departmental resources (a) | 3,412 | 15,000 | 10,000 | 10,000 | 10,000 |
| **TOTAL** | **3,412** | **15,000** | **10,000** | **10,000** | **10,000** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 3,412 | 15,000 | 10,000 | 10,000 | 10,000 |
| **Total cash used to acquire assets** | **3,412** | **15,000** | **10,000** | **10,000** | **10,000** |

Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding: current Bill 1 and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land    $'000 | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2022** |  |  |  |  |  |
| Gross book value | 59,700 | 47,540 | 46,325 | 40,250 | 193,815 |
| Gross book value - ROU assets | - | 11,725 | 37,513 | - | 49,238 |
| Accumulated depreciation/ amortisation and impairment | - | (2,390) | (28,817) | (24,576) | (55,783) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (3,250) | (7,816) | - | (11,066) |
| **Opening net book balance** | **59,700** | **53,625** | **47,205** | **15,674** | **176,204** |
| **Capital asset additions** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation ordinary annual services (a) | - | 600 | 12,900 | 1,500 | 15,000 |
| **Total additions** | **-** | **600** | **12,900** | **1,500** | **15,000** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (1,776) | (6,303) | (3,100) | (11,179) |
| Depreciation/amortisation on ROU assets | - | (826) | (2,817) | - | (3,643) |
| **Total other movements** | **-** | **(2,602)** | **(9,120)** | **(3,100)** | **(14,822)** |
| **As at 30 June 2023** |  |  |  |  |  |
| Gross book value | 59,700 | 48,140 | 59,225 | 41,750 | 208,815 |
| Gross book value - ROU assets | - | 11,725 | 37,513 | - | 49,238 |
| Accumulated depreciation/ amortisation and impairment | - | (4,166) | (35,120) | (27,676) | (66,962) |
| Accumulated depreciation/amortisation and impairment - ROU assets | - | (4,076) | (10,633) | - | (14,709) |
| **Closing net book balance** | **59,700** | **51,623** | **50,985** | **14,074** | **176,382** |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022‑23 for depreciation/amortisation expenses, DCBs or other operational expenses.

Portfolio Glossary

| **Term** | **Meaning** |
| --- | --- |
| Accrual Accounting | The 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. |
| Activities | The actions/functions performed by entities to deliver government policies. |
| Additional Estimates | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to Portfolios through the Additional Estimates Appropriation Acts. |
| Administered Items | The 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. |
| Administrative Arrangements Order | The functions and activities of the government are administered in accordance with an administrative arrangement order (AAO) issued from time to time by the Government and signed by the Governor-General. An AAO establishes the principal matters or government outcomes to be dealt with by each Department of state, and the Acts of Parliament to be administered by each minister. |
| Administered Capital Budgets (ACB) | Administered Capital Budgets (ACB) are provided to non-corporate entities (as an equity injection) that receive government funding to meet the costs associated with the replacement of minor assets (assets valued at $10 million or less) or maintenance costs that are eligible to be capitalised. |
| Appropriation | An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose. Annual Appropriation Acts provide annual funding for government operations and programs; for investment in assets; or to reduce liabilities. Bills proposing appropriations for the forthcoming financial year are introduced into Parliament on Budget Night. The annual Appropriation Bills propose specified amounts of appropriation for expenditure by entities to carry out the government’s outcomes. |
| Budget Paper 1 (BP1) | The Budget Strategy and Outlook – provides an overview of the economic and fiscal outlook, summarises the Government’s fiscal strategy, and outlines key Budget priorities. |
| Budget Paper 2 (BP2) | The Budget Measures – provides comprehensive information on all government decisions that involve changes to its receipt and payment activities since the last Economic and Fiscal Update. |
| Budget Paper 3 (BP3) | Federal Financial Relations – includes information on revenue provision and payments (GST and specific purpose payments), as well as an overview of fiscal developments in the states and territories. |
| Budget Paper 4 (BP4) | Agency Resourcing – shows, for each entity, estimated resourcing by type of appropriation, estimated expenses for each special appropriation act, estimated balances and flows for all special accounts, and estimated average staffing levels in the public sector. |
| Capital Expenditure | Expenditure by an agency on capital projects, for example, purchasing a building. |
| Consolidated Revenue Fund (CRF) | Section 81 of the Australian 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. |
| Corporate Commonwealth Entity | A Commonwealth entity that is a body corporate under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). |
| Departmental Capital Budget | Departmental Capital Budgets (DCB) are provided to non-corporate Entities (as an equity injection) that receive government funding to meet the costs associated with the replacement of minor assets (assets valued at $10 million or less) or maintenance costs that are eligible to be capitalised. The funding for depreciation, amortisation and make-good expenses was replaced with a DCB in the 2010–11 Budget. |
| Departmental Item | Resources (expenses, revenues, assets and liabilities) that an entity controls directly. This includes outsourced activities funded and controlled by the entity. Examples of Departmental items include entity running costs, accrued employee entitlements and net appropriations. A Departmental item is a component of a Departmental program. |
| 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. |
| Entities | Commonwealth entities and Commonwealth companies as defined under the PGPA Act that are within the General Government Sector (GGS). |
| Equity or Net Assets | Residual interest in the assets of an entity after deduction of its liabilities. |
| Estimated Actual | Details of the estimated final figures for 2021-22 as included in the Budget documentation. As the Budget may be released before all 2021-22 Annual Reports are tabled in Parliament, the figures for 2021‑22 remain estimates. |
| Executive Agency | An agency designated, in an executive order made by the Governor-General-in-Council, as separate from a Department, for staffing and accountability and reporting purposes, under the *Public Service Act 1999*. |
| 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. |
| Expenses not requiring appropriation in the Budget year | Includes expenses where there is: a government policy not to fund those expenses within the year; where the funding has been provided in a prior year but the expense will be incurred in the current year; items which do not or will not involve a cash flow impact (such as bad debt expenses); or where the expenses reflect the usage of services or resources provided free of charge. From the 2018‑19 MYEFO, movements of Administered funds that can be met from a prior year appropriation are not re-appropriated in the year required. Such expenses are reflected as ‘Expenses not requiring appropriation in the Budget year’. |
| 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. |
| Fiscal Balance | An accrual measure that shows whether the government has to borrow from financial markets to cover its activities. Fiscal balance includes revenue, less operating expenses, plus revaluation adjustments, plus capital adjustments. |
| Forward Estimates Period | The three years following the Budget year. For example, for the 2022-23 Budget year, 2023-24 is forward year 1, 2024-25 is forward year 2 and 2025‑26 is forward year 3. |
| General Government Sector (GGS) | A Government Finance Statistics (GFS) classification of all entities that are controlled and largely funded by the Australian Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government Departments, offices and some other bodies. |
| Government Finance Statistics (GFS) | A reporting framework that is a specialised statistical system designed to support economic analysis of the public sector. It allows for comprehensive assessments of the economic impact of government and is consistent with international statistical standards of the International Monetary Fund and the System of National Accounts. |
| Measure | A new policy or savings decision of the Government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. |
| Mid-Year Economic and Fiscal Outlook (MYEFO) | The MYEFO provides an update of the government's Budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government‘s fiscal performance against the fiscal strategy set out in its current fiscal strategy statement. |
| National Partnership payments | Commonwealth payments to states and territories made in accordance with Part 4 of the *Federal Financial Relations Act 2009* (FFR Act). The Minister may determine that an amount specified in the determination is to be paid to a State specified in the determination for the purpose of making a grant of financial assistance to support the delivery by the State of specified outputs or projects; or facilitate reforms by the State; or reward the State for nationally significant reforms. |
| Non-Corporate Commonwealth Entity | A Commonwealth entity that is not a body corporate. |
| Official Public Account (OPA) | The Commonwealth’s central bank account. The OPA is one of a group of linked bank accounts, referred to as the Official Public Account Group of Accounts. OPAs are maintained with the Reserve Bank of Australia, as required by subsection 53(3) of the PGPA Act. |
| 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. |
| Parameters | Agency funding is routinely adjusted for changes in parameters to ensure agency funding keeps pace with forecast changes in the economy. The Treasury calculates parameter rates, which factor in various economic indicators including inflation, production levels and exchange rates. |
| Portfolio Budget Statements (PB Statements) | Budget related paper detailing Budget initiatives and explanations of appropriations specified by outcome and program by each directly appropriated entity within a Portfolio. |
| Program | Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement. |
| Program support | The entity’s running costs allocated to a program. This is funded through an entity‘s Departmental appropriations. Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change. |
| *Public Governance, Performance and Accountability Act 2013* (PGPA Act) | The PGPA Act is the primary piece of Commonwealth resource management legislation. The PGPA Act establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting. It applies to all Commonwealth entities and Commonwealth companies. |
| Revenue | Total value of resources earned or received to cover the production of goods and services. |
| Right of use asset | An asset that represents a lessee’s right to use an asset that is the subject of a lease, for the lease term. |
| Special Account | Special accounts allow money in the CRF to be acknowledged as set-aside 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 (s78 PGPA Act) or through an Act of Parliament (referred to in s80 of the PGPA Act). |
| Special Appropriations (including Standing Appropriations) | Authority within an Act (other than the annual Appropriation Acts) to spend money from the CRF for particular purposes. For special appropriations, the authority to withdraw funds from the CRF does not generally cease at the end of the financial year.  Standing appropriations are a sub-category consisting of ongoing special appropriations ‑ the amount appropriated will depend on circumstances specified in the legislation. |
| Statutory Authority | An Australian Government body established through legislation for a public purpose. This can include a body headed by, or comprising, an office holder, a commission or a governing board. |
| Underlying cash balance | A cash measure that shows whether the government has to borrow from financial markets to cover its activities. Underlying cash balance generally includes operating receipts, less operating payments, less investment in non-financial assets. |

Acronyms

| Acronym | Meaning |
| --- | --- |
| 5G | 5th Generation wireless systems |
| AAO | Administrative Arrangements Order |
| AASB | Australian Accounting Standards Board |
| ABC | Australian Broadcasting Corporation |
| ABS | Australian Bureau of Statistics |
| AC | Companion of the Order of Australia |
| ACB | Administered Capital Budget |
| ACMA | Australian Communications and Media Authority |
| ACT | Australian Capital Territory |
| ADS-B | Automatic Dependent Surveillance - Broadcast |
| AFTRS | Australian Film, Television and Radio School |
| AM | Member of the Order of Australia |
| AMSA | Australian Maritime Safety Authority |
| ANMM | Australian National Maritime Museum |
| AO | Officer of the Order of Australia |
| APS | Australian Public Service |
| ARTC | Australian Rail Track Corporation |
| ASL | Average Staffing Level |
| ATSB | Australian Transport Safety Bureau |
| AVSL | Automated Vehicle Safety Law |
| BITRE | Bureau of Infrastructure, Transport and Regional Economics |
| BP1 | Budget Paper 1 – Budget Strategy and Outlook |
| BP2 | Budget Paper 2 – Budget Measures |
| BP3 | Budget Paper 3 – Federal Financial Relations |
| BP4 | Budget Paper 4 – Agency Resourcing |
| CALD | Culturally and linguistically diverse |
| CASA | Civil Aviation Safety Authority |
| CCE | Corporate Commonwealth Entity |
| CDAB | Collection Development Acquisition Budget |
| CO2 | Carbon dioxide |
| COAG | Council of Australian Governments |
| COVID-19 | Coronavirus disease 2019 |
| CRF | Consolidated Revenue Fund |
| CSOs | Community Service Obligations |
| DANS | Domestic Aviation Network Support |
| DCB | Departmental Capital Budget |
| Department | The Department of Infrastructure, Transport, Regional Development, Communications and the Arts |
| DIAP | Disability Inclusion Action Plan |
| GDP | Gross Domestic Product |
| GEAP | Gender Equity Action Plan |
| GGS | General Government Sector |
| GHz | Gigahertz |
| GST | Goods and Services Tax |
| Hon | Honourable |
| HSRA | High Speed Rail Authority |
| IA | Infrastructure Australia |
| IGA | Inter‑Governmental Agreement |
| ILA | Indigenous Languages and Arts |
| ISSN | International Standard Serial Number |
| ITMM | Infrastructure and Transport Ministers’ Meeting |
| ITSOC | Infrastructure and Transport Senior Officials’ Committee |
| ITU | International Telecommunication Union |
| IVAIS | Indigenous Visual Arts Industry Support |
| KPA | Key performance areas |
| KPI | Key performance indicators |
| MHz | Megahertz |
| MoAD | Museum of Australian Democracy |
| MOU | Memorandum of Understanding |
| MP | Member of Parliament |
| MYEFO | Mid-Year Economic and Fiscal Outlook |
| NAA | National Archives of Australia |
| NAIF | Northern Australia Infrastructure Facility |
| NBN | National Broadband Network |
| NBN Co | NBN Co Limited |
| NCA | National Capital Authority |
| nfp | not for publication |
| NFRA | National Faster Rail Agency |
| NFSA | National Film and Sound Archive of Australia |
| National Gallery | National Gallery of Australia |
| NITV | National Indigenous Television |
| NLA | National Library of Australia |
| NLTTAP | National Land Transport Technology Action Plan |
| NMA | National Museum of Australia |
| NOPSEMA | National Offshore Petroleum Safety and Environmental Management Authority |
| NPGA | National Portrait Gallery of Australia |
| NSW | New South Wales |
| NT | Northern Territory |
| NTC | National Transport Commission |
| NWGF | National Water Grid Fund |
| OPA | Official Public Account |
| OPH | Old Parliament House |
| PALM Act | *Australian Capital Territory (Planning and Land Management) Act 1988* |
| PB Statements | Portfolio Budget Statements |
| PGPA Act | *Public Governance, Performance and Accountability Act 2013* |
| PSM | Public Service Medal |
| QLD | Queensland |
| RANS | Regional Airline Network Support |
| RAP | Reconciliation Action Plan |
| RASS | Remote Air Services Subsidy |
| RAU | Remote Airstrip Upgrade |
| RBS | Regional Broadband Scheme |
| RDA | Regional Development Australia |
| RMIT | Royal Melbourne Institute of Technology |
| ROU | Right of Use |
| SA | South Australia |
| SBS | Special Broadcasting Service Corporation |
| SPIDO | Significant Project Investment Delivery Office |
| TAS | Tasmania |
| Treasury | The Department of the Treasury |
| USO | Universal Service Obligation |
| VAST | Viewer Access Satellite Television |
| VIC | Victoria |
| WA | Western Australia |
| WSA Co | WSA Co Limited |