

**Portfolio Budget Statements 2019‑20**

**Budget Related Paper No. 1.14**

Prime Minister and Cabinet PORTFOLIO

Budget Initiatives and Explanations of

Appropriations Specified by Outcomes

and Programs by Entity

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ISBN 978-1-925364-06-4 (online version)

ISBN 978-1-925364-07-1 (print version)

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Prime Minister

parliament House

canberra 2600

President of the Senate

Parliament House

CANBERRA ACT 2600

Speaker

House of Representatives

Parliament House

CANBERRA ACT 2600

Dear Mr President

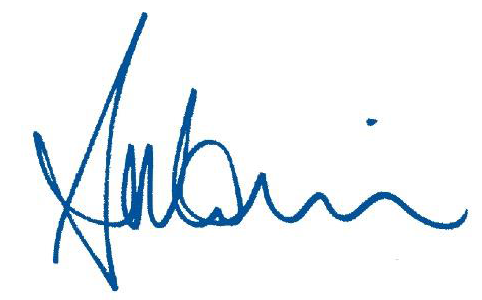
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2019-20 Budget for the Prime Minister and Cabinet portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely



SCOTT MORRISON

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nfp not for publication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 the Prime Minister and Cabinet on (02) 6271 5089.

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](http://www.budget.gov.au).

User Guide  
To The  
Portfolio Budget Statements

User guide

The purpose of the *2019-20 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) 2019-20* (or *Appropriation (Parliamentary Departments) Bill (No. 1) 2019-20* 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 Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the enhanced 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.



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Portfolio Overview

# Prime Minister and Cabinet Portfolio Overview

Ministers and portfolio responsibilities

The role of the Prime Minister and Cabinet Portfolio is to provide policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers on matters that are at the forefront of public and government administration.

The principal responsibilities of the Prime Minister and Cabinet Portfolio comprise:

* advice to the Prime Minister on policy and implementation across Government
* assistance to the Prime Minister in managing the Cabinet program
* Commonwealth Aboriginal and Torres Strait Islander policy, programs and service delivery
* enhancing the lives of Aboriginal and Torres Strait Islander people through improved wealth acquisition to support economic independence, the provision of improved access to education, employment, health and other services, as well as the maintenance of cultural identity
* international and national security policy coordination
* coordination and evaluation of Australia’s foreign intelligence activities
* intergovernmental relations and communications with state and territory governments
* coordination of government administration
* Australian Government employment workplace relations policy to position the Australian Public Service (APS) workforce for the future by improving people management, manager capability and professional development across the APS
* Australian honours and symbols policy
* official and ceremonial support
* support to the Governor-General to perform his official duties
* women’s policies and women’s leadership and development strategy
* promoting and improving workplace gender equality in Australian workplaces
* Whole-of-Government service delivery policy, focusing on increasing the accessibility and efficiency of digital government service interfaces
* maximising the economic and social benefits of using public sector data, while maintaining strong privacy and security safeguards
* Official Establishments, ownership and property management of the Prime Minister’s official residences
* the National Office for Child Safety
* leadership and coordination for the recovery and reconstruction of the flood affected areas of North, Far North and Western Queensland.

The Portfolio comprises eight non-corporate Commonwealth entities, nine corporate Commonwealth entities and three Commonwealth Companies under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Portfolio includes the following non-corporate Commonwealth entities under the PGPA Act:

* Department of the Prime Minister and Cabinet
* Australian National Audit Office
* Australian Public Service Commission
* Digital Transformation Agency
* North Queensland Livestock Industry Recovery Agency
* Office of National Intelligence
* Office of the Official Secretary to the Governor-General
* Workplace Gender Equality Agency.

The Portfolio includes the following corporate Commonwealth entities under the PGPA Act:

* Australian Institute of Aboriginal and Torres Strait Islander Studies
* Indigenous Business Australia
* Indigenous Land and Sea Corporation
* Northern Territory Land Councils
* Anindilyakwa Land Council
* Central Land Council
* Northern Land Council
* Tiwi Land Council
* Torres Strait Regional Authority
* Wreck Bay Aboriginal Community Council.

The Portfolio includes the following Commonwealth Companies under the PGPA Act:

* Aboriginal Hostels Limited
* National Australia Day Council Limited
* Outback Stores Pty Ltd.

The **Department of the Prime Minister and Cabinet** (PM&C) is a non-corporate Commonwealth entity and is subject to the PGPA Act. PM&C provides support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers to achieve a coordinated and innovative approach to the development and implementation of government policies.

PM&C is also responsible for Whole-of-Government policy and programs relating to Indigenous affairs and women.

**Aboriginal Hostels Limited** (AHL) is a Commonwealth company subject to the *Corporations Act 2001* and the PGPA Act. AHL provides temporary accommodation to Aboriginal and Torres Strait Islander people through a national network of accommodation facilities. AHL provides accommodation that supports Aboriginal and Torres Strait Islander people to access educational, employment-related and health opportunities.

The **Aboriginal Land Commissioner** is an independent statutory office holder under the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALR Act). The principal function of the Commissioner is to conduct formal inquiries into applications for claims to traditional Aboriginal land in the Northern Territory and to provide recommendations to the Minister for Indigenous Affairs for the grant of land to traditional owners where appropriate.

The **Australian Institute of Aboriginal and Torres Strait Islander Studies** (AIATSIS) is an independent statutory authority created by the *Australian Institute of Aboriginal and Torres Strait Islander Studies Act 1989*. The purpose of AIATSIS, as a national collecting institution and publicly funded research agency which creates unique research infrastructure for Australia, is to build pathways for the knowledge of Aboriginal and Torres Strait Islander people to grow and be shared.

The **Australian National Audit Office** (ANAO) is anon-corporate Commonwealth entity established under the *Auditor-General Act 1997* and is subject to the PGPA Act. The ANAO assists the Auditor-General in undertaking the performance of functions under the *Auditor-General Act 1997*.

The **Australian Public Service Commission** (APSC) is a non-corporate Commonwealth entity with a number of functions under the *Public Service Act 1999*, is subject to the PGPA Act, and has a central leadership role in providing expertise, guidance and performance monitoring on workforce management strategies. The APSC has a key role in supporting frameworks for a modern and flexible workforce, improving workforce management to support an efficient and effective Australian Public Service (APS), supporting high ethical standards and fostering improved capability and leadership.

The **Defence Force Remuneration Tribunal** is an independent authority established under section 58G of the *Defence Act 1903*. The Defence Force Remuneration Tribunal determines the pay and allowances of members of the Australian Defence Force, considering the special nature of the Defence Force service.

The **Digital Transformation Agency** (DTA) is a non-corporate Commonwealth entity subject to the PGPA Act. Its mission is to accelerate the government’s digital transformation agenda by helping agencies move more services online, deliver a better user experience to users and ensure the best use of the government’s Information and Communication Technology (ICT) spend.

The position of **Executive Director of Township Leasing** (EDTL) is an independent statutory office holder that is subject to the PGPA Act and was established under the ALR Act to enter into leases of Aboriginal-held land in the Northern Territory on behalf of the Commonwealth, and to administer sub-leases and other rights and interests derived from such leases. The primary function of the EDTL is to hold leases over townships on Aboriginal land in the Northern Territory following agreement between the Commonwealth and the respective Aboriginal Land Council and Land Trust.

**Indigenous Business Australia** (IBA) is a corporate Commonwealth entity established under the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act) and is subject to the PGPA Act. IBA creates opportunities for Aboriginal and Torres Strait Islander people and communities to build assets and wealth. IBA assists Aboriginal and Torres Strait Islander people to buy their own home, own their own business and to invest in commercial ventures and funds that generate financial returns and can also provide employment, training and supply chain opportunities.

**The Indigenous Land and Sea Corporation** (ILSC) is a corporate Commonwealth entity established under the ATSI Act and subject to the PGPA Act. The ILSC assists Aboriginal and Torres Strait Islander people to realise economic, social, cultural and environmental benefits that the ownership and management of land, fresh water and salt water can bring. This includes economic independence (in particular jobs for Indigenous people); social benefits; cultural identity and connection; and environmental sustainability. The ILSC provides assistance in the acquisition and management of rights and interests in land, salt water and fresh water country.

The **National Australia Day Council Limited** (NADC) is a Commonwealth Company that is subject to the PGPA Act. NADC’s mission is to inspire national pride and spirit through a range of activities including Australia Day programs and the Australian of the Year Awards.

The **North Queensland Livestock Industry Recovery Agency** (NQLIRA) is a non‑corporate Commonwealth entity and is subject to the PGPA Act*.* The NQLIRA provides strategic leadership and coordination for the Commonwealth’s recovery and reconstruction activities in the flood affected areas of North, Far North and Western Queensland.

**Anindilyakwa Land Council** (ALC), **Central Land Council** (CLC), **Northern Land Council** (NLC) and **Tiwi Land Council** (TLC) are the four Northern Territory Land Councils established under the ALR Act. The Land Councils are subject to the PGPA Act. Each is a corporate Commonwealth entity established to represent Aboriginal interests in a range of processes under the ALR Act.

The **Office of National Intelligence** (ONI) is a non-corporate Commonwealth entity operating under the *Office of National Intelligence Act 2018* and is subject to the PGPA Act. The ONI provides assessments on matters of political, strategic or economic significance to Australia, to the Prime Minister, senior ministers and senior officials. The ONI is also responsible for integration, coordination and evaluation of Australia’s national intelligence capabilities.

The **Office of the Official Secretary to the Governor-General** (OOSGG) is a   
non-corporate Commonwealth entity which supports the Governor-General in the performance of his/her responsibilities and is subject to the PGPA Act. The position of the Official Secretary to the Governor-General (the Official Secretary) has existed since 1901. The OOSGG was established in December 1984 by amendment to the   
*Governor-General Act 1974*.

The **Office of the Registrar of Indigenous Corporations** (ORIC)is an independent statutory office holder who administers the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and is subject to the PGPA Act. The Registrar of Indigenous Corporations registers and regulates Aboriginal and Torres Strait Islander corporations.

**Outback Stores Pty Ltd** (OBS) is a Commonwealth Company subject to the *Corporations Act 2001* and the PGPA Act. OBS promotes the health, employment and economic development of remote Indigenous communities by managing quality, sustainable retail stores. OBS helps Aboriginal and Torres Strait Islander people to improve their standard of living and achieve health goals through sustainable retail stores.

The **Remuneration Tribunal** is an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Remuneration Tribunal is primarily responsible for inquiring into and determining the remuneration and allowances to be paid to holders of public offices (including parliamentary offices). The Remuneration Tribunal also reports on and provides advice about these matters.

The **Torres Strait Regional Authority** (TSRA) is a corporate Commonwealth entity established by the *ATSI Act 2005* and is subject to the PGPA Act. The TSRA formulates, implements and monitors the effectiveness of programs for Torres Strait Islander and Aboriginal people living in the Torres Strait, and also advises the Minister for Indigenous Affairs about issues relevant to Torres Strait Islander and Aboriginal people living in the Torres Strait region. The TSRA works to empower Torres Strait Islander and Aboriginal people living in the Torres Strait to determine their own affairs based on the *ailan kastom* (island custom) of the Torres Strait.

The **Workplace Gender Equality Agency** (WGEA) is a non-corporate Commonwealth entity which is subject to the PGPA Act. The WGEA is responsible for promoting and improving gender equality in Australian workplaces and administering the *Workplace Gender Equality Act 2012*.

The **Wreck Bay Aboriginal Community Council** (WBACC) is a corporate Commonwealth entity established by the *Aboriginal Land Grant (Jervis Bay Territory) Act 1986* and is subject to thePGPA Act. The council holds title to land and provides services to the Aboriginal community of Jervis Bay.

Figure 1: Prime Minister and Cabinet Portfolio structure and outcome

|  |
| --- |
| **Prime Minister — The Hon Scott Morrison MP** |
|  |
| Minister for Indigenous Affairs — Senator the Hon Nigel Scullion  Minister for Women and Minister for Jobs and Industrial Relations — The Hon Kelly O’Dwyer MP  Minister for Human Services and Digital Transformation – The Hon Michael Keenan MP |
|  |
| Assistant Minister to the Prime Minister — The Hon Steve Irons MP |
|  |
| **Department of the Prime Minister and Cabinet** *Secretary: Dr Martin Parkinson AC PSM*  Outcome 1: Prime Minister and Cabinet - Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.  Outcome 2: Indigenous - Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation. |
|  |
| **Aboriginal Hostels Limited** *Chief Executive Officer: Mr Tony Usher*  Outcome: Improved access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of temporary hostel accommodation services. |
|  |
| **Australian Institute of Aboriginal and Torres Strait Islander Studies**  *Chief Executive Officer: Mr Craig Ritchie*  Outcome: Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections. |
|  |
| **Australian National Audit Office** *Auditor-General: Mr Grant Hehir*  Outcome: To improve public sector performance and accountability through independent reporting on Australian Government administration to Parliament, the Executive and the public. |
|  |
| **Australian Public Service Commission** *Commissioner: Mr Peter Woolcott AO*  Outcome: Increased awareness and adoption of best practice public administration by the public service through leadership, promotion, advice and professional development, drawing on research and evaluation. |

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| **Digital** **Transformation** **Agency** *Chief Executive Officer: Mr Randall Brugeaud*  Outcome: Improve the user experience for all Australians accessing government information and services by leading the design, development and continual enhancement of whole-of-government service delivery policies and standards, platforms and joined-up services. |

|  |
| --- |
| **Indigenous Business Australia** *Chief Executive Officer: Mr Rajiv Viswanathan*  Outcome: Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition and access to concessional home and business loans. |
|  |
| **Indigenous Land and Sea Corporation** *Chief Executive Officer: Mr John Maher*  Outcome: Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through the acquisition and management of land, water and water‑related rights. |
|  |
| **National Australia Day Council Limited** *Chief Executive Officer: Ms Karlie Brand*  Outcome: A shared celebration of Australia and Australians through promoting the meaning of and participation in Australia Day and the Australian of the Year Awards. |
|  |
| **North Queensland Livestock Industry Recovery Agency**  *Chief Executive Officer: Mr Shane Stone AC QC*  Outcome: To coordinate Commonwealth activities for the purpose of recovery and reconstruction in areas affected by the North and Far North Queensland Monsoon Trough (25 Jan – 14 Feb 2019), including through strategic leadership, consultation and administration of the loan mechanism to provide assistance to eligible primary producers by way of loans to Authorised Deposit taking Institutions at the Government’s cost of borrowing. |
|  |
| **Northern Territory Land Councils**  Anindilyakwa Land Council - *Chief Executive Officer: Mr Mark Hewitt*  Central Land Council - *Accountable Authority: Mr Francis Kelly (Chair) and Mr Joe Martin-Jard (Chief Executive Officer)*  Northern Land Council – *Accountable Authority: Mr Samuel Bush-Blanosi (Chair) and Mr Jak Ah Kit (Interim Chief Executive Officer)*  Tiwi Land Council – *Accountable Authority: Mr Gibson Farmer Illortaminni (Chair) and Mr Andrew Tjpungwuti (Chief Executive Officer)*  Objective: Represent Aboriginal interests in various processes under the *Aboriginal Land Rights (Northern Territory) Act 1976*. The Central Land Council and Northern Land Council are Native Title Representative Bodies under the *Native Title Act 1993*. |
|  |

|  |
| --- |
| **Office of National Intelligence** *Director General: Mr Nick Warner AO PSM*  Outcome: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia, and integration, coordination and evaluation of Australia’s national intelligence capabilities. |

|  |
| --- |
| **Office of the Official Secretary to the Governor-General**  *Acting Official Secretary: Mr Paul Singer MVO*  Outcome: The performance of the Governor-General’s role is facilitated through organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system. |

|  |
| --- |
| **Outback Stores Pty Ltd** *Chief Executive Officer: Mr Michael Borg*  Objective: To improve access to affordable, healthy food for Indigenous communities, particularly in remote areas, through providing food supply and store management and support services. |

|  |
| --- |
| **Torres Strait Regional Authority** *Acting**Chief Executive Officer: Ms Mary Bani*  Outcome: Progress towards closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait Region through development planning, coordination, sustainable resource management, and preservation and promotion of Indigenous culture. |
|  |
| **Workplace Gender Equality Agency** *Director: Ms Libby Lyons*  Objective: Promote and improve gender equality in Australian workplaces including through the provision of advice and assistance to employers and the assessment and measurement of workplace gender data. |
|  |
| **Wreck Bay Aboriginal Community Council** *Chief Executive Officer: Ms Anne-Marie Farrugia*  Objective: Established by the *Aboriginal Land Grant (Jervis Bay Territory) Act 1986* to hold title to land and provide council services to the Aboriginal Community of Jervis Bay. |

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planned performance

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# Department of the Prime Minister and Cabinet

Entity resources and planned performance

Department of the Prime Minister and Cabinet

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Department of the Prime Minister and Cabinet

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The role of the Department of the Prime Minister and Cabinet (PM&C) is to provide policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers on matters that are at the forefront of public and government administration.

PM&C strives to achieve a coordinated and innovative approach to the development and implementation of government policies. This requires well considered advice on a range of issues, drawing together input from across portfolios, to address the long term challenges and opportunities facing Australia. Priority areas for PM&C include:

* supporting the Prime Minister as Head of Government and the Cabinet
* supporting the effective functioning of the Government
* providing advice on major domestic, international and national security policy issues, drawing on expertise from across government
* monitoring and providing advice on the implementation of key Government initiatives, policies and programs
* leading the APS in collaboration with the Australian Public Service Commission (APSC)
* improving the lives of Indigenous Australians through increased participation in education and work, making communities safer where the ordinary rule of law applies, and working closely with other Australian Government departments to lead efforts to ensure mainstream policy, programs and services deliver benefits to Indigenous Australians
* advising the Prime Minister and Minister for Women on women’s safety, economic security, workforce participation, leadership and international engagement and coordinating this work across government
* advising the Prime Minister on delivering national policies and strategies to enhance children’s safety and reduce future harm to children.

Further details of the objectives and performance evaluation mechanisms attached to this strategy are detailed in Section 2 of this document.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to PM&C 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 PM&C’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 and 2’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: PM&C resource statement — Budget estimates for 2019-20 as at Budget April 2019



**Third party payments from and on behalf of other entities**



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

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

1. Annual appropriation amounts appearing for 2018-19 do not include the *Appropriation Bills (No. 3) and (No. 4) 2018-2019*, as they had not been enacted at the time of publication.
2. *Appropriation Bill (No.1) 2019-20*.
3. Excludes $32.046 million subject to administrative quarantine by 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 retained revenue receipts under section 74 of the *PGPA Act*.
6. DCB is not separately identified in *Appropriation Bill (No.1*) and forms 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. *Appropriation Bill (No.2) 2019-20.*
8. Administered Capital Budgets (ACBs) 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'.
9. ‘Corporate entities’ are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act*.
10. Relates to appropriations sought for payment to the States, ACT, NT and local governments in *Appropriation Bill (No.2) 2019-20*. Outcome 2 – Program 2.2: Children and Schooling includes the National Partnership on Northern Territory Remote Aboriginal Investment (Non-Government Schools) with payments of $4.779 million to the Northern Territory in 2019-20. Information on the terms and conditions can be found in the National Partnership on Northern Territory Remote Aboriginal Investment at <http://www.federalfinancialrelations.gov.au/content/npa/community_services/national-partnership/NT_remote_aboriginal_investment_NP.pdf>. Terms and conditions are made under authority from section 7(2) of the *COAG Reform Fund Act 2008* and the Intergovernmental Agreement on Federal Financial Relations.
11. 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 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
12. Amounts credited to the special account(s) from PM&C annual and special appropriations.

### 1.3 Budget measures

Budget measures in Part 1 relating to PM&C are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: PM&C 2019-20 Budget measures

Part 1: Measures announced since the 2018‑19 Mid-Year Economic and Fiscal Outlook (MYEFO)



Table 1.2: PM&C 2019-20 Budget measures

Part 1: Measures announced since the 2018‑19 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)



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

1. The lead entity for measure *Fourth Action Plan (2019-22) to reduce violence against women and their children* is the Department of Social Services. The full measure description and package details appear in *Budget Paper No. 2* under the Social Services portfolio.
2. Funding of $7.340 million in 2019-20 for this measure has already been provided for by the Government.
3. The measure *North Queensland Flood Recovery Package* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross Portfolio. Funding for the establishment of the North Queensland Livestock Industry Recovery Agency is provided in 2019‑20 as supplementation funding for expenses in 2018‑19.
4. The lead entity for measure *Barkly Regional Deal* is the Department of Infrastructure, Regional Development and Cities. The full measure description and package details appear in *Budget Paper No. 2* under the Infrastructure, Regional Development and Cities portfolio.
5. The *Remote Housing in South Australia* measure includes a payment of $37.5 million in 2018-19 to be made through the Department of the Treasury.
6. The lead entity for measure *National museum and memorial for Victims and Survivors of Institutional Child Sexual Abuse* is the Attorney-General’s Department. The full measure description and package details appear in *Budget Paper No. 2* under the Attorney-General’s portfolio.
7. The lead entity for measure *Securing Tourism and Jobs in Kakadu* is the Department of Environment and Energy. The full measure description and package details appear in *Budget Paper No. 2* under the Enviroment and Energy portfolio.

## 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in PM&C corporate plans and annual performance statements – included in Annual Reports - to provide PM&C’s complete performance story.

The most recent annual performance statement can be found at: www.pmc.gov.au/who-we-are/accountability-and-reporting/annual-reports.

The most recent corporate plan for PM&C can be found at:   
www.pmc.gov.au/who-we-are/accountability-and-reporting/corporate-plans

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery. |

Linked programs

| **Department of Industry, Innovation and Science** |
| --- |
| **Program**   * Program 1 – Supporting Science and Commercialisation |
| The Department of Industry, Innovation and Science is working with PM&C to develop the Future Female Entrepreneurs Program, which will provide girls and young women with the knowledge and skills they need to start their own businesses and create employment opportunities for themselves and others. |

Budgeted expenses for Outcome 1

This table shows how much PM&C 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**

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

1. The annual expense figure reflects the appropriation provided for the provision for future entitlements for each of the former Governors-General. This is unwound as expenses not requiring appropriation in the Budget year. The increase in unwinding in 2019-20 relates to the recognition of a provision for projected future entitlements for former Governors-General.
2. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
3. Funding for the establishment of the North Queensland Livestock Industry Recovery Agency is provided in 2019‑20 as supplementation funding for expenses in 2018‑19.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and other services provided free of charge.

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – Provide high quality policy advice and support to the Prime Minister and the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery.** | | |
| **Program 1.1 – Prime Minister and Cabinet**  The objectives of this program are to:   * provide advice, support and services to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers, and coordination across Government, on major domestic, international and national security matters. * provide support to the Cabinet and its committees, the Federal Executive Council and Council of Australian Governments (COAG) to facilitate informed decision making. | | |
| **Delivery** | This program is delivered through the provision of advice, support and services to the Prime Minister, the Cabinet, Portfolio Ministers, Assistant Ministers and/or the Executive Council and through leadership and coordinated public sector responses to Government decisions and strategic priorities. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * The Prime Minister, Portfolio Ministers and the Cabinet are satisfied with the quality and timeliness of advice and support provided on major domestic economic, social and innovation policy, national security and international matters. * Support timely, relevant and effective collaboration and coordination across government and external parties on major domestic economic, social and innovation policy, national security and international matters. * High level of satisfaction with the secretariat support services provided to the Cabinet Secretary. | * Feedback from the Prime Minister, Portfolio Ministers, the Cabinet, ministerial officers and the Executive shows a high level of satisfaction with the quality and timeliness of advice and support received. * 85% of responses to requests for briefs and ministerial correspondence are delivered within agreed timelines. * Feedback from Commonwealth agencies, State and Territory agencies and private sector organisations demonstrates a high level of satisfaction with the quality and timeliness of collaboration and policy coordination provided. * Feedback from the Cabinet Secretary demonstrates a high level of satisfaction with the timeliness and accuracy of the functions delivered. |

Table 2.1.2: Performance criteria for Outcome 1 (continued)

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Targets** |
| 2019-20 | * Quality and timely policy advice, support and services to the Prime Minister, Portfolio Ministers, the Cabinet and key stakeholders. * Effective public sector leadership, coordination and monitoring of responses to Government decisions, policies and strategic priorities. | * Maintain or increase stakeholder satisfaction by 2020. |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purposes** (a) | **1. Supporting the Prime Minister, as the head of the Australian Government, the Cabinet and Portfolio Ministers**  **2. Providing advice on major domestic policy, national security and international matters** | |

(a) Purposes 1 & 2 in the Corporate Plan 2018-22 both map to Program 1.1.

### 2.2 Budgeted expenses and performance for Outcome 2

|  |
| --- |
| Outcome 2: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation. |

Linked programs

| **Attorney-General’s Department** |
| --- |
| **Programs**   * Program 1.4 – Justice Services * Program 1.6 – Indigenous Legal and Native Title Assistance |
| **Contribution to Outcome 2 made by linked programs**  The Attorney-General’s Department works with PM&C by supporting the efficient operation of the native title system.  The Attorney-General’s Department contributes to the Indigenous Advancement Strategy by administering the Indigenous Legal Assistance Program that funds organisations to deliver culturally appropriate legal assistance services to ensure Indigenous Australians receive the help needed to overcome legal problems and fully exercise their legal rights. |

| **Department of Agriculture and Water Resources** |
| --- |
| **Programs**   * Program 1.2 – Sustainable Management - Natural Resources * Program 2.1 – Biosecurity and Export Services |
| **Contribution to Outcome 2 made by linked programs**  The Department of Agriculture and Water Resources works with PM&C to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program.  The Department of Agriculture and Water Resources and PM&C partner with Aboriginal and Torres Strait Islander Ranger groups to deliver biosecurity work that protects Australian agriculture and the northern Australian environment. |

| **Department of the Environment and Energy** |
| --- |
| **Programs**   * Program 1.1 – Sustainable Management of Natural Resources and the Environment |
| **Contribution to Outcome 2 made by linked programs**  The Departments of the Environment and Energy, PM&C and Agriculture and Water Resources work together to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program. The Department of the Environment and Energy and PM&C work cooperatively on Indigenous Protected Areas. |

| **Department of Health** |
| --- |
| **Program**   * Program 2.2 – Aboriginal and Torres Strait Islander Health |
| **Contribution to Outcome 2 made by linked programs**  The Department of Health works with PM&C to deliver high quality essential health services to Aboriginal and Torres Strait Islander people, and respond to new and emerging health needs. |

| **Department of Human Services** |
| --- |
| **Program**   * Program 1.1 – Services to the Community – Social Security and Welfare |
| **Contribution to Outcome 2 made by linked programs**  Payments and services under the Indigenous Advancement Strategy are delivered by the Department of Human Services under a number of indigenous specific and mainstream programs administered by a number of portfolios. |

| **Department of Industry, Innovation and Science** |
| --- |
| **Program**   * Program 2 – Growing Business Investment and Improving Business Capability |
| **Contribution to Outcome 2 made by linked programs**  The Department of the Prime Minister and Cabinet is implementing initiatives that enable Indigenous Australians to benefit economically from their land. This includes pilot land reform projects, capacity building of native title corporations, and land administration and township leasing under the White Paper on Developing Northern Australia. The Department of Industry, Innovation and Science oversees implementation of the White Paper. |

| **Department of** **Jobs and Small Business** |
| --- |
| **Program**   * Program 1.1 – Employment Services |
| **Contribution to Outcome 2 made by linked programs**  The Department of Jobs and Small Business fosters a productive and competitive labour market through employment policies and programs that assist job seekers, including Indigenous Australians, into work, meet employer needs and increase Australia’s workforce participation. |

| **Department of Social Services** |
| --- |
| **Programs**   * Program 1.10 – Working Age Payments * Program 1.11 – Student Payments * Program 2.1 – Families and Communities * Program 3.1 – Disability Mental Health and Carers * Program 4.1 – Housing and Homelessness Program |
| **Contribution to Outcome 2 made by linked programs**  The Department of Social Services has policy responsibility for student payments, including ABSTUDY, which provide financial assistance to Indigenous families and students to encourage attendance and retention at school. In addition, some payments (i.e. Relocation Scholarships and Student Start-up Loans) are subject to mutual exclusion provisions for some scholarships (i.e. Commonwealth Accommodation Costs Scholarship and Commonwealth Education Costs Scholarship) paid for the same period, which are administered by PM&C.  The Department of Social Services contributes to the Indigenous Advancement Strategy by supporting the development of stronger families and more resilient communities by supporting Indigenous families and communities to enjoy similar levels of physical emotional and social wellbeing to that enjoyed by other Australians; supporting families to give children a good start in life; supporting access to affordable housing; and supporting remote strategic investments and remote housing strategies.  The Department of Social Services also contributes to the Indigenous Advancement Strategy by supporting eligible Indigenous Australians living in non-remote regions with a disability into work.  The Department of Social Services works with state and territory governments under the National Framework for Protecting Australia’s Children 2009-2020 to improve outcomes for Indigenous children in contact with or at risk of entering child protection systems.  The Department of Social Services is also leading the implementation of the Commonwealth response to the recommendations and findings of the Royal Commission into the Protection and Detention of children in the Northern Territory, working closely with PM&C, in partnership with the Northern Territory government and non-government organisations and local communities. |

Table 2.2.1: Budgeted expenses for Outcome 2



Table 2.2.1: Budgeted expenses for Outcome 2 (continued)



Table 2.2.1: Budgeted expenses for Outcome 2 (continued)



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

1. The Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) was established in the Finance Portfolio from 1 February 2019. The balance of the Aboriginal and Torres Strait Islander Land Account was transferred from PM&C to the ATSILSFF. The new Indigenous Land and Sea Corporation Funding Special Account was established on 1 February 2019 to continue payments to the Indigenous Land and Sea Corporation.
2. Program 2.2: Children and Schooling includes the National Partnership on Northern Territory Remote Aboriginal Investment (Non-Government Schools) with payments of $4.779 million to the Northern Territory in 2019-20. Information on the terms and conditions can be found in the National Partnership on Northern Territory Remote Aboriginal Investment at <http://www.federalfinancialrelations.gov.au/content/npa/community_services/national-partnership/NT_remote_aboriginal_investment_NP.pdf>. Terms and conditions are made under authority from section 7(2) of the *COAG Reform Fund Act 2008* and the Intergovernmental Agreement on Federal Financial Relations.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and other services provided free of charge.

Table 2.2.2: Performance criteria for Outcome 2

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| Outcome 2 – Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation. | | |
| --- | --- | --- |
| **Program 2.1 – Jobs, Land and Economy**  The objectives of this program are to get adults into work, foster Indigenous business and assist Indigenous people to generate economic and social benefits from effective use of their land, particularly in remote areas. | | |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy (IAS) activities aimed at increasing Indigenous employment, business and economic development. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Indigenous Advancement Strategy activities contribute towards increased Indigenous employment, business and economic development. | * At least 70 per cent of funded activities within this program achieved the outcome KPIs(b) specified in funding agreements. * Target of 3 per cent of Commonwealth Government contracts are awarded to Indigenous-owned business. |
| 2019-20 | As per 2018-19 | As per 2018-19 |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** (a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Specified IAS activity outcomes for Program 2.1 include improved: School Based Traineeships completion rates; employment outcomes for Indigenous participants; tertiary retention and completion rates for Indigenous students undertaking cadetships; delivery of remote employment services; sustainability of Indigenous businesses; technical and leadership skills of Indigenous Rangers; land management outcomes; and support of Native Title determination.

| **Program 2.2 – Children and Schooling**  The objectives of this program are to get children to school, particularly in remote Indigenous communities, improving education outcomes and supporting families to give children a good start in life. This program includes measures to improve access to further education. | | |
| --- | --- | --- |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy activities aimed at increasing Indigenous school attendance and improved educational outcomes. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Indigenous Advancement Strategy activities contribute towards increased Indigenous school attendance and improved educational outcomes. | * At least 70 per cent of funded activities within the program achieved the primary outcome KPI(b) specified in funding agreement. |
| 2019-20 | As per 2018-19 | As per 2018-19 |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** (a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Specified IAS activity outcomes for Program 2.2 include improved: educational environment at home; language and social skills, health and learning outcomes of Indigenous children; student engagement, attendance, retention and attainment; enrolment in vocational and tertiary education amongst Indigenous Australians.

| **Program 2.3 – Safety and Wellbeing**  The objectives of this program are to ensure that the ordinary law of the land applies to Indigenous communities and ensure Indigenous people enjoy similar levels of physical, emotional and social wellbeing enjoyed by other Australians. | | |
| --- | --- | --- |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy activities aimed at improving wellbeing and/or reducing levels of offending, violence and substance abuse. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Indigenous Advancement Strategy activities contribute towards reduced levels of offending, violence and substance abuse. | * At least 70 per cent of funded activities within the program achieved the primary outcome KPI(b) specified in funding agreements. |
| 2019-20 | Indigenous Advancement Strategy activities contribute towards improved wellbeing and/or reduced levels of offending, violence and substance abuse. | As per 2018-19 |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** (a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Specified IAS activity outcomes for Program 2.3 include: improved community safety and security; crime prevention; reduced family domestic violence and harm and distress amongst victims of violence; improved victim support and increased understanding of legal rights and available support; increased support of families dealing with critical mental health incidents; reduced anti-social behaviour and improved community engagement amongst Indigenous youth; reduced substance misuse and harm; and improved community awareness of available on demand support.

| **Program 2.4 – Culture and Capability**  The objectives of this program are to support Aboriginal and Torres Strait Islander people to maintain their culture, participate equally in the economic and social life of the nation and ensuring that Indigenous organisations are capable of delivering quality services to their clients, particularly in remote areas. | | |
| --- | --- | --- |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy activities aimed at:   * Indigenous cultural expression and conservation * increasing participation of Indigenous people in society through healing and improved capability and leadership * promoting the unique place of Indigenous cultures in Australian society. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Indigenous Advancement Strategy activities contribute towards increased participation of Indigenous people in Australian society and improved capability of Indigenous organisations. | * At least 70 per cent of funded activities within this program achieved the primary outcome KPI(b) specified in funding agreements. |
| 2019-20 | As per 2018-19 | As per 2018-19 |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** (a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Specified IAS activity outcomes for Program 2.4 include: increased knowledge and understanding of Aboriginal and Torres Strait Islander cultures, history and practices; improved capability and leadership; promoting, supporting and encouraging reconciliation between Aboriginal and Torres Strait Island peoples and non-Indigenous Australians.

| **Program 2.5 – Remote Australia Strategies**  The objectives of this program are to ensure strategic investments in local, flexible solutions based on community and Government priorities. | | |
| --- | --- | --- |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy activities aimed at investment in local, flexible solutions based on community and government priorities. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Indigenous Advancement Strategy activities invest in local solutions based on community and government priorities. | * At least 70 per cent of funded activities within this program achieved the primary outcome KPI(b) specified in funding agreements. |
| 2019-20 | As per 2018-19 | As per 2018-19 |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes**(a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Specified IAS activity outcomes for Program 2.5 include: in consultation with community stakeholders, supporting infrastructure, physical asset, housing, training and economic development projects that address remote community need and/or support local innovations.

| **Program 2.6 – Evaluation and Research**  The objective of this program is to improve the lives of Indigenous Australians by increasing evaluation and research into policies and programs impacting on Indigenous Peoples. | | |
| --- | --- | --- |
| **Delivery** | This program is delivered through Indigenous Advancement Strategy activities aimed at investment in evaluation of IAS activities and research into Indigenous priorities. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * Increased understanding of whether Indigenous Advancement Strategy funding and policies are effective. * Increased research and/or existing research made more usable. | * Publication of the Annual Evaluation Work Plan taking into account size, reach and ‘policy risk’ of the program or activity and the strategic need of the evaluation. * Establishment of an Indigenous Evaluation Committee in 2018 to strengthen the quality, credibility and independence of evaluation activity. * Establishment of an Indigenous Research Exchange in 2018, to facilitate the improved use of research in policy development and implementation. |
| 2019-20 | * Increased understanding of whether Indigenous Advancement Strategy funding and policies are effective. * Increased research and/or existing research made more usable. | * Publication of the Annual Evaluation Work Plan each September taking into account size, reach and ‘policy risk’ of the program or activity and the strategic need of the evaluation. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes**(a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.

| **Program 2.7 – Program Support**  This program is the departmental support program to the six Indigenous Advancement Strategy programs. The arrangements give effect to the Government’s commitment to reduce red tape and duplication and ensure resources are invested on the ground where they are most needed through the principle of empowering communities. | | |
| --- | --- | --- |
| **Delivery** | Departmental support to the six Indigenous Advancement Strategy programs. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Efficient department support to the six Indigenous Advancement Strategy programs. | * At least 70 per cent of relevant(b) key performance measures in the PM&C Corporate Plan are met or are on track. |
| 2019-20 | Nil | Nil(c) |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes**(a) | **Improving the lives of Indigenous Australians** | |

1. Refers to Purpose 3 in the Corporate Plan 2018-22.
2. Relevant measures in the Corporate Plan address key focus areas under Purpose 3.
3. The 2018-19 Portfolio budget Statements included performance information for Program 2.7. As Program 2.7 is the departmental support program to the six Indigenous Advancement Strategy programs, separate performance information will no longer be reported for this program. Please refer to the performance information for the six Indigenous Advancement Strategy programs.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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**

Comprehensive Income Statement

Budgeted Revenue from Government in 2019-20 is estimated at $400.0 million. This represents an increase of $16.1 million compared to the estimate for 2019-20 reported in the 2018-19 Portfolio Additional Estimates Statements (PAES). The increase is largely attributable to additional funding received from 2019-20 Budget measures.

Budgeted Departmental Balance Sheet

PM&C’s net asset position is expected to decrease in 2019-20 and over the remaining forward estimates with depreciation outweighing capital investment.

**Administered**

Schedule of Budgeted Income and Expenses Administered on Behalf of Government

The estimated administered expenditure for 2019-20 has increased by $21.3 million since the 2018-19 PAES from $1,706.6 million to $1,727.9 million, which is largely attributable to the increase in payments to the Northern Territory land councils from the Aboriginal Benefit Account due to higher mining royalties.

Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government

PM&C’s budgeted administered net assets position in 2019-20 is expected to be $3,645.8 million, which has increased by $144.8 million since the 2018-19 PAES due to an increase in forecast investments.

### 3.2 Budgeted financial statements tables

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



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

**Note: Impact of net cash appropriation arrangements**

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.

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

\*’Equity’ is the residual interest in assets after the deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

1. Funding for the establishment of the North Queensland Livestock Industry Recovery Agency is in 2019‑20 as supplementation funding for expenses in 2018‑19.
2. Includes both current *Bill* *2* and prior *Act 2/4/6* appropriations.
3. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental capital budgets (DCBs)
4. Funding for the establishment of the North Queensland Livestock Industry Recovery Agency is provided in 2019-20 as supplementation funding for purchases in 2018-19.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided *through Appropriation Bill (No. 2) 2019-20.*
2. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1) 2019-20* 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) 

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for the period ended 30 June)



Prepared on Australian Accounting Standards basis

(a) 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 2019-20)



Prepared on Australian Accounting Standards basis

1. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1)   
    2019-20.*

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# Aboriginal Hostels Limited

Entity resources and planned performance

Aboriginal Hostels Limited

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Aboriginal Hostels Limited

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

Aboriginal Hostels Limited (AHL) is a Commonwealth Company established under the *Corporations Act 2001*. AHL provides temporary accommodation to Aboriginal and Torres Strait Islander people through a national network of accommodation facilities. AHL contributes to the Portfolio’s goals by providing accommodation that improves access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of hostel accommodation services.

AHL provides safe, comfortable, culturally appropriate and affordable accommodation for Indigenous Australians who must live away from home to access services and labour markets.

In 2019-20 AHL will continue to:

* be a provider of accommodation that supports the Australian Government’s effort to overcome Aboriginal and Torres Strait Islander disadvantage
* operate in locations of greatest need, in priority areas of education, training, employment and health
* deliver a consistent standard of accommodation services, by service type across Australia
* sustainably manage and maintain its property portfolio
* operate within available resources
* respond to need through evidence based business planning
* ensure all hostels are fit for purpose
* pursue best practice in workplace health and safety.

### 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 administered (on behalf of the Government or the public) and departmental (for the entity’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: AHL resource statement — Budget estimates for 2019-20 as at Budget April 2019



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

(a) *Appropriation Bill (No. 1) 2019-20*

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills. The payment relates to the operations of the Kardu Darrikardu Numida Hostel in Wadeye, Northern Territory.

(c) Amounts received from Northern Territory Government for operations and management of three hostels by AHL in Alice Springs.

AHL is not directly appropriated as it is a Commonwealth company.

Appropriations are made to non-corporate Commonwealth entity PM&C, which are then paid to AHL and are considered 'departmental' for all purposes.

### 1.3 Budget measures

AHL has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for AHL can be found at:   
www.ahl.gov.au/about-us/publications

The most recent annual performance statement can be found at: www.ahl.gov.au/about-us/publications

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Improved access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of temporary hostel accommodation services. |

**Budgeted expenses for Outcome 1**

This table shows how much AHL 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



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 criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| Outcome 1 – Improved access to education employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of temporary hostel accommodation services. | | |
| --- | --- | --- |
| **Program 1.1** – The objective of this program is to provide temporary accommodation for Indigenous Australians who must live away from home to access services and economic opportunities. | | |
| **Delivery** | Deliver a network of accommodation services across Australia that provide special purpose accommodation for Aboriginal and Torres Straits Islander people. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Occupancy level as a percentage of resident bed nights available per annum. | 70% |
| 2019-20 | Occupancy level as a percentage of resident bed nights available per annum. | 70% |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** (a) | To provide culturally safe, fit-for-purpose, affordable accommodation for Indigenous Australians who need to be away from home to access employment opportunities, and health, education and other services. | |

(a) Refers to updated purpose that will be reflected in the 2018-2022 Corporate Plan.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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

The increase in employee benefits in 2019-20 and out years from 2018-19 is in line with AHL’s estimated Average staffing level increase from 355 to 386.

AHL is forecasting a technical operating loss for 2018-19 to 2020-21 due to timing differences with recognition of grant funding and associated payments and an increase in depreciation expense following building revaluations in 2017-18.

Budgeted Departmental Balance Sheet

The increase in land and buildings in 2020-21 and 2021-22 is due to forecast investment in new hostels so as to increase AHL’s hostel network footprint.

The increase in employee provisions in 2019-20 and the forward years is mainly due to the accumulation of AHL employees’ long service leave provision.

### 3.2. Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

* current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
* donations and contributions;
* gifts;
* internally developed assets;
* s74 External Revenue; and
* proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



Prepared on Australian Accounting Standards basis.

1. Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1)* 2019‑20 for depreciation/amortisation expenses, DCBs or other operational expenses

# Australian Institute of Aboriginal and Torres Strait Islander Studies

Entity resources and planned performance

Australian Institute of Aboriginal and Torres Strait Islander Studies

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Australian Institute of Aboriginal and Torres Strait Islander Studies

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) is a Corporate Commonwealth Entity established under the Australian Institute of Aboriginal and Torres Strait Islander Studies Act 1989. AIATSIS, which turns 55 in 2019, is a world renowned research, collections and publishing organisation and occupies a unique place at the nexus between the academic and cultural sectors, government, Indigenous communities, and the broader Australian public. The Institute promotes knowledge and understanding of Aboriginal and Torres Strait Islander cultures, traditions, languages and stories, past and present. AIATSIS’s vision is of an Australia in which Aboriginal and Torres Strait Islander peoples’ knowledge and cultures are recognised, respected, celebrated and valued.

The mission of AIATSIS is to tell the story of Aboriginal and Torres Strait Islander Australia; creating opportunities for people to encounter, engage with and be transformed by that story; supporting and facilitating cultural resurgence; and shaping the national narrative, through its collection, leadership in research and collections and providing information and advice on heritage and culture.

AIATSIS’ strategic priorities are to:

* Build and preserve a national collection and make it accessible
* Promote better understanding of Indigenous peoples, cultures and heritage
* Lead and influence on Aboriginal and Torres Strait Islander research, ethics and protocols and collections
* Partner and collaborate with our communities, partners and governments
* Advise on Aboriginal and Torres Strait Islander cultures and heritage.

Priorities in 2019-20 are designed around the following themes:

* *Discovery*, to help Australians discover the richness of the histories, cultures and heritage of our First Nations people.
* *Resurgence*, to contribute to the ongoing cultural resurgence cross Aboriginal and Torres Strait Islander Australia.
* *Transformation*, of peoples’ understanding of Aboriginal and Torres Strait Islander Australia.
* *Extending Our Reach*, by exploring opportunities to extend the reach of AIATSIS, both in terms of presence and influence, through physical and digital means.
* *United Nations International Year of Indigenous Languages*, as language is intrinsic to life and plays an integral role in maintaining the identity, sustainability, vitality and strength of Indigenous cultures around the world.
* *Return of Cultural Heritage project,* for the return of culturally significant Aboriginal and Torres Strait Islander items from overseas, reflecting the critical role that AIATSIS plays in supporting and facilitating Aboriginal and Torres Strait Islander cultural resurgence and signifying that the first story of Australia is an Indigenous one and this story is central to our national story.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to AIATSIS 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 entity’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: AIATSIS resource statement — Budget estimates for 2019-20 as at Budget April 2019



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) 2019-20.*
2. *Appropriation Bill (No. 2) 2019-20.*

### 1.3 Budget measures

AIATSIS has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for AIATSIS can be found at: http://aiatsis.gov.au.

The most recent annual performance statement can be found at: https://aiatsis.gov.au/publications/products/aiatsis-annual-report-2017-2018.

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections. |

**Budgeted expenses for Outcome 1**

This table shows how much AIATSIS 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



Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections. | | |
| Build and preserve a national collection, and make it accessible. | | |
| **Delivery** | Ensure that our collection is representative, relevant and diverse.  Optimise appropriate accessibility.  Maximise opportunities provided by digital innovation. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 | Ability to accept new material that is offered to and accepted into the collection, the rate at which it is preserved and made discoverable and accessible.  Preservation of Aboriginal and Torres Strait Islander cultural heritage to enable all Australians to appropriately access and experience knowledge of Aboriginal and Torres Strait Islander cultures, traditions, languages, past and present | Percentage increase in the rate at which:   * Material is accepted into the collection: +2% * The collection is made discoverable: +1.5% * The collection is accessed: +10% * Preservation of the collection: +5%. |
| 2019-20 | * Collection growth * Collection accessibility | Percentage increase in collection growth from 2018-19 baseline.  Number of requests met and items provided by source and location:   * 1.5% increase in online collection discoverability and accessibility   Proportion of requests actioned within 60 days (service standard):   * 100%   Proportion of collection digitised by format:   * Increase from 2018-19 baseline. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |

| Promote better understanding of Indigenous peoples’ cultures and heritage. | | |
| --- | --- | --- |
| **Delivery** | Provide a national forum for dialogue on Aboriginal and Torres Strait Islander culture.  Deliver transformative experiences of Aboriginal and Torres Strait Islander cultures, histories and heritage.  Deliver high quality exhibitions, products and publications. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 | Target groups include: Aboriginal and Torres Strait Islander peoples and communities; non-Indigenous Australians; academic researchers; students; governments, industry; practitioners; people world-wide who are interested in Aboriginal and Torres Strait Islander culture and heritage.  This program enables all Australians to learn about and experience knowledge of Aboriginal and Torres Strait Islander cultures, traditions, languages and stories, past and present. | Number and value of publications:   * 6 books published ($243,000 revenue) * journal editions ($20,000 revenue) * 5 other publications.   Monitor the reach and impact of communication and community engagement activity through:   * Media coverage * Website and social media reach and activity * Reach:- estimated actuals * 35 media releases, alerts and web news stories * 10 AIATSIS e-newsletters * 10 Members e-newsletters * 35 interviews by media outlets with AIATSIS staff or affiliates * 26 requests for content/information by media completed * Percentage increase in website traffic +10% * % increase in Indigenous author contributions +5% * Train and develop web publishers and editors 10 * Percentage increase in Indigenous members +8% * Percentage increase in members +5% * Percentage increase in partnerships +5% * Percentage increase in value of partnerships +5% * Percentage increase in value of a public program +5%. |

|  |  |  |
| --- | --- | --- |
| Promote better understanding of Indigenous peoples’ cultures and heritage. | | |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2019-20 | * Communication * Engagement with Education - Increased contribution to Australian curriculum and cultural learning * Public events * Aboriginal Studies Press (ASP) Publications program | Number and quality of public communication, education and engagement:   * 70% of respondents assess AIATSIS communication, education and engagement provide high level impact   Number and type of activities with an education focus:   * Increase from 2018/19 baseline   Number and satisfaction of attendees at AIATSIS events:   * 5 Individual events   Indigenous Author Engagement   * Majority Indigenous authors.   Number of Publications by type:   * Publish up to 8 publications annually across all types. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |

| Lead and influence on Aboriginal and Torres Strait Islander research, ethics, protocols and collections. | | |
| --- | --- | --- |
| **Delivery** | Lead through evidence based research and culturally based representative networks.  Articulate national priorities for Aboriginal and Torres Strait Islander research.  AIATSIS is the arbiter of standards in relation to research ethics, Indigenous research and management of Indigenous Collections.  Foster innovation in ethical, impactful research and collection practice. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 | Delivery of contracted outputs and outcomes to actively strengthen, preserve and renew Indigenous knowledge, promote understanding of Indigenous peoples and contribute positively to the wellbeing of Aboriginal and Torres Strait Islander peoples | 100% contracts completed.  Monitor levels of quality and efficiency:   * Number and value of research publications, grants and other outputs: 10% increase in numbers, maintain ratio * Number of staff publications (7 per researcher) * Number of staff presentations (5 per researcher) * Size of grants and research contracts * Revenue from research activities (ratio income to investment). * Reach and take-up of standards and guidance on best practice in research, engagement, publication and collections: 100% increase * 50% increase in external take-up. |

|  |  |  |
| --- | --- | --- |
| Lead and influence on Aboriginal and Torres Strait Islander research, ethics, protocols and collections. | | |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2019-20 | * Use and influence of Guidelines for Ethical Research in Australian Indigenous Studies (GERAIS) * External use of Ethics clearances through Research Ethics Committee * Take up of AIATSIS collection protocols and standards * AIATSIS Influence in Aboriginal and Torres Strait Islander Research | Number of times GERAIS utilised:   * 5000   Number of Ethics clearances annually:   * 20 Annually   AIATSIS Collections’ protocols and standards adopted:   * Increase from 2018/19 baseline   Requests for advice and input (number and type of requests):   * Increase from 2018/19 Baseline   Number and value of partnerships:   * Increase from 2018/19 Baseline   Number of publications and presentations by staff by type:   * AIATSIS has 100 publications and presentations by staff. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| Partner and collaborate with our communities, partners and governments. | | |
| **Delivery** | Actively building diverse and enduring relationships domestically and internationally.  Being responsive and professional, with culturally competent work practices.  Build an active network of corporate partners.  Engage our network of members, friends, volunteers, visitors and affiliates. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 | Delivery of contracted outputs and outcomes to actively strengthen, preserve and renew Indigenous knowledge, promote understanding of Indigenous peoples and contribute positively to the wellbeing of Aboriginal and Torres Strait Islander peoples. | Monitor levels of engagement and impact through:   * Number and value of research partnerships and applied research: 2% increase * Number and value of research impact assessments: Evaluations. |

|  |  |  |
| --- | --- | --- |
| Partner and collaborate with our communities, partners and governments. | | |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2019-20 | * AIATSIS Membership * Research Collaborations * Networks * Interaction with Indigenous Communities * Partnerships in place | Number and engagement of AIATSIS Members:   * Increase by 10 new members per year * 3 Members’ events annually   Type, number and level of interactions in research collaborations:   * Increase from 2018/19 Baseline   Number and type of networks:   * Increase from 2018/19 Baseline   Interactions with Indigenous communities by type:   * Increase from 2018/19 Baseline   Number of partnerships by type:   * Increase from 2018/19 Baseline. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| Advise on Aboriginal and Torres Strait Islander culture and heritage. | | |
| **Delivery** | Deliver world class expertise on policy and provide trusted advice on Aboriginal and Torres Strait Islander culture and heritage.  Report regularly on the situation and status of Indigenous culture and heritage. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2019-20 | * *AIATSIS reports and Policy briefs produced* * *Engagement with decision makers, policy leaders, Senior Bureaucrats and Politicians (number and type)* | *Number of reports, policy briefs and requests for advice:*   * *5 annually*   *Number and type of engagements with decision makers:*   * *10 engagements per year* |
| 2020-21 and beyond | *As per 2019-20* | *As per 2019-20* |
| **Purposes** | To tell the story of Aboriginal and Torres Strait Islander Australia; to create opportunities for people to encounter, engage with and be transformed by that story; to support and facilitate Aboriginal and Torres Strait Islander cultural resurgence; and to shape our national narrative. | |

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

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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 statement shows the estimated net cost of services for AIATSIS.

The budgeted net cost of services to AIATSIS for delivering its programs in 2019-20 is $20.4 million.

*Expenses*

Total departmental expenses budgeted for in 2019-20 are $26.3 million, comprising $10.7 million for employee expenses, $14.4 million for suppliers and $1.2 million for depreciation and amortisation.

*Income*

Total departmental own-source income budgeted for in 2019-20 is $6.0 million, comprising $0.8 million from sale of goods and services, $0.5 million for interest and $4.7 million from other sources.

*Budgeted departmental balance sheet*

The statement shows the estimated end of year position for departmental assets and liabilities.

*Assets*

Total departmental assets budgeted for 2019-20 are $53.7 million, comprising $28.4 million in non-financial assets ($12.9 million Land and building, $14.7 million Property, plant and equipment and $0.8 million Other) and $25.3 million in financial assets.

*Liabilities*

Total departmental liabilities budgeted for in 2019-20 are $15.6 million, comprising $3.1 million in provisions and $12.4 million in payables.

*Budgeted departmental statement of cash flows*

The statement provides information on estimates of the extent and nature of cash flows by categorising the expected cash flows against operating, investing and financing activities.

*Statement of changes in equity – summary of movement*

The statement shows the expected movement of equity during the budget year.

### 3.2. Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis

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

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);

- donations and contributions;

- gifts;

- internally developed assets;

- s74 External Revenue; and

- proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through *Appropriation Bill (No. 2)* 2019-20, including CDABs

# Australian National Audit Office

**Entity resources and planned performance**

**Australian National Audit Office**

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**Australian National Audit Office**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The Australian National Audit Office’s (ANAO) purpose is to support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance. The Auditor-General is an independent officer of the Australian Parliament whose mandate and functions are set out in the *Auditor-General Act 19*97 (the Act). The Auditor-General is assisted by the ANAO in delivering against this mandate.

The ANAO delivers a range of audit and related services that include:

* auditing the financial statements of Commonwealth entities, Commonwealth companies and their subsidiaries;
* conducting performance audits, assurance reviews and audits of the performance measures of Commonwealth entities and Commonwealth companies and their subsidiaries;
* conducting a performance audit of a Commonwealth partner as described in section 18B of the Act;
* providing other audit services as required by other legislation or allowed under section 20 of the Act; and
* reporting directly to the Parliament on any matter or to a minister on any important matter.

To achieve its purpose, the ANAO has focused on implementing strategies that enable it to operate as a leading public sector audit practice delivering quality audit services. This occurs through strong methodology, efficient and whole-of-organisation work practices and a focus on communicating the outcomes of its work.

The ANAO’s Corporate Plan outlines capability investments that will be required to support achieving the ANAO’s purpose in the dynamic environment in which it operates. The ANAO will continue to make investments in improving data analytics capability, growing and maintaining a skilled and professional workforce, supporting contemporary communication, particularly with the Parliament, and ensuring quality in its audit work. More details can be found in the ANAO’s corporate plan which is published on the ANAO’s website – [www.anao.gov.au](http://www.anao.gov.au).

**1.2 Entity resource statement**

Table 1.1 shows the total funding from all sources available to ANAO 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 entity’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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

The ANAO charges an audit fee for the financial statement audits of corporate Commonwealth entities, companies and their subsidiaries subject to the *Public Governance, Performance and Accountability Act 2013*.These fees are based on a scale determined by the Auditor-General under section 14 of the Act, and are calculated on the basis of a cost attribution model. Revenues from these audit fees are paid into the Official Public Account and are not available to the ANAO. The revenue and receipts are shown in Table 3.7 (Schedule of budgeted income and expenses administered on behalf of Government) and Table 3.9 (Schedule of budgeted administered cash flows), respectively.

The ANAO is also permitted to charge for ‘audits by arrangement’ under subsection 20(2) of theAct. The revenue is shown as sales of goods and rendering of services in Table 3.1 (Comprehensive income statement).

**Table 1.1: ANAO resource statement — Budget estimates for 2019-20 as at Budget April 2019**



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

Prepared on a resourcing (i.e. appropriations available) basis.

1. *Appropriation* *Bill (No. 1) 2019-20*.
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. *Appropriation Bill (No. 2) 2019-20*.
6. For further information on special appropriations, please refer to *Budget Paper No. 4* - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

**1.3 Budget measures**

ANAO has no budget measures in the 2019-20 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.

The ANAO has one outcome, which 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for the ANAO can be found at: <https://www.anao.gov.au/work/corporate/anao-corporate-plan-2018-19>

The most recent annual performance statement can be found at: <https://www.anao.gov.au/work/annual-report/australian-national-audit-office-anao-annual-report-2017-18>.

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: To improve public sector performance and accountability through independent reporting on Australian Government administration to Parliament, the Executive and the public.** |

**Budgeted expenses for Outcome 1**

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

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



**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**



(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, amortisation expenses and expenses where funding has been provided in a prior year.

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 criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – To improve public sector performance and accountability through independent reporting on Australian Government administration to Parliament, the Executive and the public.** | | |
| **Program 1.1** – Assurance Audit Services  This program contributes to the outcome through:   * providing assurance on the fair presentation of financial statements of the Australian Government and its controlled entities by providing independent audit opinions for the Parliament, the executive and the public; * presenting two reports annually addressing the outcomes of the financial statement audits of Australian Government entities and the consolidated financial statements of the Australian Government, to provide the Parliament with an independent examination of the financial accounting and reporting of public sector entities; and * contributing to improvements in the financial administration of Australian Government entities. | | |
| **Delivery** | Providing independent assurance to the Parliament by:   * issuing financial statement audit opinions to the Australian Government and its controlled entities * issuing other assurance audit reports * preparing and producing financial statement related reports for the Parliament | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 (a) | * *Percentage of the mandatory financial statements auditor's reports completed* * *Number of financial statements–related audit reports presented to Parliament* * *Number of assurance audit reports by arrangement* * *Percentage of auditor's reports issued within three months of the financial-year-end reporting date* * *Percentage increase to average cost per financial statements audit* * *Percentage of moderate or significant findings from assurance audit reports agreed to by audited entities* * *Percentage of moderate and significant findings that are addressed by entities within one year of reporting* | * 100% of the 241 entities provided an auditor’s report for tabling in the Parliament (against a target of 100%) * Expect 2 assurance reports to be presented to Parliament (against a target of 2) * 41 other assurance reports produced (against a target of 45) * 89% of auditor’s reports to be issued within three months of the financial year end reporting date (against a target of 85%) * 0% increase to the average cost per audit (against a target of 0%) * Expected that 100% of recommendations included in audit reports are agreed by audited entities (against a target of 90%) * 67% of moderate and significant findings are addressed by material entities within one year of reporting (against a target of 90%) |

|  |  |  |
| --- | --- | --- |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2019-20 | * Percentage of the mandatory financial statements auditor's reports completed * Number of financial statements–related audit reports presented to Parliament * Number of assurance audit reports by arrangement * Percentage of auditor's reports issued within three months of the financial-year-end reporting date * Percentage variation to the average cost per financial statements audit * Percentage of moderate or significant findings from assurance audit reports agreed to by audited material entities * Percentage of moderate and significant findings that are addressed by material3 entities within one year of reporting | * 100% of the mandatory financial statements auditor’s reports completed * 2 financial statement related audit reports presented to Parliament * 45 assurance audit reports by arrangement * 85% of auditor’s reports to be issued within three months of the financial year end reporting date * Greater than 0% reduction to the average cost per financial statements audit * 90% of moderate or significant findings from assurance audit reports are agreed to by audited entities * 90% of moderate and significant findings are addressed by entities within one year of reporting |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purpose** | To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance. | |

1. The Performance criteria published for 2018-19 have been revised since the publication of the 2018-19 Portfolio Budget Statements. These revised Performance criteria provide an increased level of transparency and demonstrate more clearly the direct relationship between the Performance criteria and the targets. New or modified performance criteria that reflect new or materially changed programs are shown in *italics.*

| **Program 1.2** – Performance Audit Services  This program contributes to the outcome through:   * audits of the performance of Australian Government programs and entities, including identifying opportunities for improvement and lessons for the sector; and * other assurance reviews and information reports to Parliament. | | |
| --- | --- | --- |
| **Delivery** | Improving public sector performance by:   * providing performance and other audit reports for the information of Parliament, the Executive and the public | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 (a) | * *Number of performance reports prepared for Parliament* * *Average elapsed time (months) for completion of performance audits* * *Percentage increase to average cost per performance audit* * *Percentage of recommendations included in performance audit reports agreed by audited entities* * *Percentage of ANAO recommendations implemented within 24 months of a performance audit report* | * Expected that 48 performance audit reports to be produced (against a target of 48) * Expect 10.5 months average elapsed time for completion of performance audits (against a target of 10.5 months) * Expected to achieve 0% increase to average cost per performance audit (against a target of 0%) * Expected that 90% of recommendations included in performance audit reports agreed by audited entities (against a target of 90%) * Expected that 70% of ANAO recommendations implemented within 24 months of a performance audit report (against a target of 70%) |
| 2019-20 | * Number of performance reports prepared for Parliament * Average elapsed time (months) for completion of performance audits * Percentage variation to the average cost per performance audit * Percentage of recommendations included in performance audit reports agreed by audited entities * Percentage of ANAO recommendations implemented within 24 months of a performance audit report | * 48 performance audit reports prepared for Parliament * Less than 10 months average elapsed time for completion of performance audits (against a target of 10 months) * Greater than 0% reduction to average cost per performance audit * 90% of recommendations included in performance audit reports agreed by audited entities * 70% of ANAO recommendations implemented within 24 months of a performance audit report |

|  |  |  |
| --- | --- | --- |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purpose** | To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance. | |

1. The Performance criteria published for 2018-19 have been revised since the publication of the 2018-19 Portfolio Budget Statements. These revised Performance criteria provide a better level of transparency and demonstrate more clearly the direct relationship between the Performance criteria and the targets. New or modified performance criteria that reflect new or materially changed programs are shown in *italics.*

|  |  |  |
| --- | --- | --- |
| **Shared performance criteria for programs 1.1 and 1.2**  The ANAO has a number of performance criteria that apply to both programs 1.1 and 1.2, and are reported on collectively. Both programs contribute to the outcome by:   * facilitating dissemination of the ANAO's findings to members of Parliament, the Executive and the public; * providing organisation-wide support services for the ANAO, based on specialised knowledge, professional practice and technology; and * ensuring ANAO audits are of high quality and compliant with auditing standards. | | |
| **Delivery** | Providing independent assurance to the Parliament and improving public sector performance by:   * providing information to Members of Parliament and parliamentary committees; * undertaking an audit Quality Assurance program; and * publishing insights and key learnings from audits. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 (a) | * *Number of appearances and submissions to parliamentary committees* * *Percentage of private briefings undertaken at request of parliamentarians* * *The ANAO Quality Assurance Program indicates that audit opinions and conclusions are appropriate* * *Percentage of inquiries and audit requests from parliamentarians finalised within 28 days* * *Percentage of JCPAA members surveyed who were satisfied that the ANAO improved public sector performance and supported accountability and transparency* * *Number of published audit insights and key learnings from across ANAO activities* | * The ANAO has undertaken 20 appearances and submissions to Parliamentary committees (against a target of 20) * Expect that more than 90% of requests from parliamentarians for private briefings or educational sessions that are undertaken (against a target of 100%) * Expect that the ANAO Quality Assurance Program indicates that audit opinions and conclusions are appropriate (against a target of Yes) * Expect that 100% of inquiries and audit requests from parliamentarians finalised within 28 days (against a target of 90%) * Expect that 90% of JCPAA members surveyed were satisfied that the ANAO improved public sector performance and supported accountability and transparency (against a target of 90%) * Expect to publish 4 papers on audit insights and key learnings from across ANAO activities (against a target of 4) |

|  |  |  |
| --- | --- | --- |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2019-20 | * Number of appearances and submissions to parliamentary committees * Percentage of private briefings undertaken at request of parliamentarians * The ANAO Quality Assurance Program indicates that audit opinions and conclusions are appropriate * Percentage of inquiries and audit requests from parliamentarians finalised within 28 days * Percentage of JCPAA members surveyed who were satisfied that the ANAO improved public sector performance and supported accountability and transparency * Number of published audit insights and key learnings from across ANAO activities | * There is an equal to or greater than 0% increase in appearances and submissions to Parliamentary committees * 100% of private briefings undertaken by request of Parliamentarians * The ANAO Quality Assurance Program indicates that 100% of audit opinions and conclusions are appropriate (against a target of 100%) * 90% of inquiries and audit requests from parliamentarians finalised within 28 days * 90% of JCPAA members surveyed who were satisfied that the ANAO improved public sector performance and supported accountability and transparency * Publish 4 papers on audit insights and key learnings from across ANAO activities (against a target of 4) |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purpose** | To support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance. | |

1. The Performance criteria published for 2018-19 have been revised since the publication of the 2018-19 Portfolio Budget Statements. These revised Performance criteria provide a better level of transparency and demonstrate more clearly the direct relationship between the Performance criteria and the targets. New or modified performance criteria that reflect new or materially changed programs are shown in *italics.*

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ANAO’s finances for the 2019-20 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 entity resource statement (Table 1.1) provides a consolidated view of all the resources available to an entity in 2019-20. This includes appropriation receivable that is yet to be drawn down to cover payables and provisions on the balance sheet. The comprehensive income statement (Table 3.1) shows the operating appropriation provided in 2019-20.

**3.1.2 Explanatory notes and analysis of budgeted financial statements**

**Departmental**

*Comprehensive income statement*

Total income in 2019-20 is budgeted at $73.8 million (2018-19 $74.2 million). Revenue from Government (annual departmental appropriation and special appropriation funding) in 2019-20 has decreased to $69.7 million (2018-19 $70.1 million) due to the impact of efficiency dividends and other savings measures.

Other revenue is expected to be $4.1 million (2018-19 $4.1 million). This revenue relates to:

* international project funding of $1.8 million to support the Indonesian Board of Audit and the Papua New Guinea Auditor-General’s Office
* own sourced revenue of $2.3 million for ‘audits by arrangement’ under section 20(2) of the *Auditor-General Act 1997* and other miscellaneous income.

Operating expenses, including depreciation, for 2019-20 are estimated to total $76.4 million (2018-19: $78.8million).

In order to meet the ANAO’s performance targets, the ANAO proposes to use its available reserves to transition to a new funding base.

*Balance sheet*

The departmental balance sheet shows the ANAO’s net asset position remaining strong and stable.

The ANAO’s accommodation lease and Information Technology (IT) service delivery arrangements expired in June 2018. New arrangements were finalised in 2018-19 with the ANAO negotiating a new accommodation lease and IT service provider arrangements. The ANAO will be drawing on its reserves to fund the refurbishment of its leased premises and investment in IT including new tools and approaches for data analytics.

*Statement of cash flows*

The cash flow is consistent with, and representative of, the transactions reported in the comprehensive income statement, adjusted for non-cash items and anticipated capital purchases.

The ANAO’s working cash balance is in accordance with the ANAO’s agreement with the Department of Finance.

*Capital budget statement*

The departmental capital budget statement shows the expected capital works program for the current and forward years. Total capital expenditure in 2019-20 is estimated to be $8.8 million (2018-19 $6.6 million). In addition, the ANAO forecasts spending a further $2.9 million on capital works over the forward estimates.

**Administered**

*Schedule of budgeted income and expenses administered on behalf of government*

Estimated revenues from the provision of audit services to certain Australian Government entities reflect the estimated recovery of audit costs.

*Schedule of budgeted assets and liabilities administered on behalf of government*

The estimated administered assets and liabilities relate to ongoing audit activity.   
No non-financial administered assets are held.

*Schedule of budgeted administered cash flows*

Administered monies are transferred to the Official Public Account on an ongoing basis.

**3.2. Budgeted financial statements tables**

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



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.

Prepared on Australian Accounting Standards basis.

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



\*‘Equity’ is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis

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

Prepared on Australian Accounting Standards basis.

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



1. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental capital budgets (DCBs).
2. Includes funding from current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019‑20)**



1. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1) 2019‑20* for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis

# Australian Public Service Commission

**Entity resources and planned performance**

**Australian Public Service Commission**

[**Section 1: Entity overview and resources 133**](#_Toc2934125)

[1.1 Strategic direction statement 133](#_Toc2934126)

[1.2 Entity resource statement 134](#_Toc2934128)

[1.3 Budget measures 136](#_Toc2934129)

[**Section 2: Outcomes and planned performance 137**](#_Toc2934130)

[2.1 Budgeted expenses and performance for Outcome 1 138](#_Toc2934131)

[**Section 3: Budgeted financial statements 141**](#_Toc2934132)

[3.1 Budgeted financial statements 141](#_Toc2934133)

[3.2. Budgeted financial statements tables 142](#_Toc2934134)

**Australian Public Service Commission**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The planned outcome of the Australian Public Service Commission (APSC) is to increase awareness and adoption of best practice public administration by the Australian Public Service (APS) through leadership, promotion, advice and professional development, drawing on research and evaluation. The APSC takes a central leadership role in providing expertise, guidance and performance monitoring on workforce management strategies. The APSC also supports the Australian Public Service Commissioner and the Merit Protection Commissioner to undertake statutory functions under the *Public Service Act 1999*, including functions to uphold high standards of integrity and conduct in the APS and to review employment decisions.

In 2019-20 the APSC will focus on its strategic priorities. These priorities reflect APSC’s statutory responsibilities, and are consistent with supporting frameworks for a modern and flexible workforce.

**1.2 Entity resource statement**

Table 1.1 shows the total funding from all sources available to APSC 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 APSC’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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: APSC resource statement — Budget estimates for 2019-20 as at Budget April 2019**

   
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) 2019-20.*
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'.

**Third party payments from and on behalf of other entities**



**1.3 Budget measures**

The APSC has no measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for the APSC can be found at: <https://www.apsc.gov.au/corporate-plan-2018-19>.

The most recent annual performance statement can be found at: <https://www.apsc.gov.au/australian-public-service-commissioner-annual-report-2017-18>.

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: Increased awareness and adoption of best practice public administration by the public service through leadership, promotion, advice and professional development, drawing on research and evaluation.** |

**Budgeted expenses for Outcome 1**

This table shows how much APSC 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**



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 expenses, amortisation expenses and audit services received free of charge.

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 criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| * **Outcome 1 – Increased awareness and adoption of best practice public administration by the public service through leadership, promotion, advice and professional development, drawing on research and evaluation.** | | |
| --- | --- | --- |
| **Program 1.1 – Australian Public Service Commission**  This program contributes to the outcome through building capacity, driving productivity and performance, streamlining processes and reducing red tape and promoting integrity and accountability among the APS | | |
| **Delivery** | The APSC works with entities to develop opportunities to improve productivity and efficiency and to reduce regulation. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * Shape the APS workforce * Modernise the APS employment framework to reflect changes to the nature of work * Build workforce capability in the APS * Promote a high standard of integrity in the APS. | * Support the Government’s reform agenda * Partner with agencies to achieve compliance with the Government’s bargaining policies * Support agencies to improve their workplace relations skills and performance * Strengthen leadership and core capabilities by providing contemporary learning solutions * Build digital capability in the APS by partnering with the Digital Transformation Agency. |
| 2019-20 | * Shape the APS workforce * Modernise the APS employment framework * Build workforce capability in the APS * Promote a high standard of integrity in the APS. | * Support the Government’s reform agenda * Partner with agencies to achieve compliance with the Government’s bargaining policies * Support agencies to improve their workplace relations skills and performance * Strengthen leadership and core capabilities by providing contemporary learning solutions * Build digital capability in the APS by partnering with the Digital Transformation Agency. |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purpose** | To position the APS workforce for the future. | |

| **Program 1.2 – Judicial Office Holders’ Remuneration and Entitlements**  This program contributes to the outcome through facilitating the payment of remuneration, allowances and entitlements to Judicial Office Holders. | | |
| --- | --- | --- |
| **Delivery** | The Attorney-General’s Department makes all of the payments for this program. These payments are funded by a special appropriation that the APSC administers. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Meet all requirements for the budgeting and reporting of Judicial Office Holders remuneration and entitlements. | Budget in the Portfolio Budget Statements and the actual result in the financial statements are prepared within required timeframes and free of material misstatements. |
| 2019-20 | Meet all requirements for the budgeting and reporting of Judicial Office Holders remuneration and entitlements. | Budget in the Portfolio Budget Statements and the actual result in the financial statements are prepared within required timeframes and free of material misstatements. |
| 2020-21 and beyond | As per 2019-20. | As per 2019-20. |
| **Purpose** | To position the APS workforce for the future. | |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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 entity resource statement (Table 1.1) provides a consolidated view of all the resources available to the APSC in 2018-19 including both departmental and administered funding. This includes appropriations that are yet to be drawn down to cover departmental payables and provisions on the balance sheet. The departmental comprehensive income statement (Table 3.1) shows only the departmental operating appropriation provided in each year.

**3.1.2 Explanatory notes and analysis of budgeted financial statements**

**Departmental**

*Comprehensive Income Statement*

In all Budget years the APSC is budgeting for a break-even operating result, adjusted for depreciation and amortisation expense. Appropriation revenue from Government will decrease in 2019-20 due to lower levels of funding for the 2017-18 Public Service Modernisation Fund budget measure to build digital capability in the APS. Funding for the measure was $2.8 million in 2017-18, reducing to $1.4 million in 2018-19 and to $0.3 million in 2019-20.

Goods and services income is expected to remain stable between 2018-19 to 2019-20.

*Budgeted Departmental Balance Sheet*

Cash holdings above agreed working level limits are transferred as a receivable held in the Official Public Account.

Receivables vary in line with the APSC’s capital investment cycle for fee for service activities.

Total equity will reduce over the Budget and forward years as the level of departmental capital budget funding is lower than the loss incurred due to net cash appropriation arrangements.

**Administered**

The administered schedules report payments of Judicial Office Holders’ remuneration and entitlements. Payments are made by the Attorney-General’s Department.

**3.2. Budgeted financial statements tables**

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



**Note: Impact of net cash appropriation arrangements**



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.

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis

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



Prepared on Australian Accounting Standards basis.

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



1. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental capital budgets (DCBs).
2. Includes the following sources of funding:

current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);

internally developed assets;

s74 External Revenue; and

proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019‑20)**

  
Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1) 2019-20* 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)**



Prepared on Australian Accounting Standards basis.

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

The APSC has no assets or liabilities administered on behalf of the Government.

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



Prepared on Australian Accounting Standards basis.

# Digital Transformation Agency

**Entity resources and planned performance**

Digital Transformation Agency

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[1.1 Strategic direction statement 155](#_Toc4399946)

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[Section 2: Outcomes and planned performance 159](#_Toc4399949)

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[3.1 Budgeted financial statements 163](#_Toc4399952)

[3.2 Budgeted financial statements tables 164](#_Toc4399953)

**Digital Transformation Agency**

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Digital Transformation Agency (DTA)’s mission is to encourage coordinated investment in digital services, assist to transform the user experience for individuals and business, and improve the return on information and communications technology (ICT) and digital investment.

In 2019–20, the DTA will deliver on this mission in the following ways:

* Delivery of a Digital Transformation Strategy and Roadmap, looking out to 2025.
* Developing whole-of-government strategies and policies that accelerate digital transformation, focusing on emerging technologies and improving services for users.
* Delivery of investment advice and whole-of-government portfolio oversight on ICT and digital investments.
* Providing advice on all significant ICT and digital investment projects and new policy proposals — ensuring delivery of intended benefits and alignment to the digital transformation agenda.
* Delivery of whole-of-government digital platforms such as Digital Identity, Notifications, Tell us Once and improvements to myGov.
* Developing whole-of-government digital platforms and services to reduce costs, reduce duplication and provide better ICT infrastructure for Commonwealth entities.
* A program of digital capability improvement, including sourcing reform.
* Transforming ICT and digital sourcing to make it a simpler and faster process and help government buy and sell the ICT and digital products and services it needs.
* Building the digital capability of the APS — focusing on upskilling staff, developing digital leadership skills and attracting and retaining digital talent.

### 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 administered (on behalf of the Government or the public) and departmental (for the entity’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: DTA resource statement — Budget estimates for 2019-20 as at Budget April 2019**



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) 2019-20*.
2. Excludes departmental capital budget (DCB).
3. 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'.
4. Estimated external revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
5. Includes the sum of s74 and other receipts from other entities, including pass through cost which are not recognised revenue.

### 1.3 Budget measures

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

**Table 1.2: DTA 2019-20 Budget measures**

**Part 1: Measures announced since the 2018‑19 Mid-Year Economic and Fiscal Outlook (MYEFO)**



## 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in entities corporate plans and annual performance statements – included in Annual Reports - to provide entities complete performance story.

The most recent corporate plan for DTA can be found at: https://www.dta.gov.au/about-us/reporting-and-plans/corporate-plans/corporate-plan-2018-22

The most recent annual performance statement can be found at: https://www.dta.gov.au/about-us/reporting-and-plans/annual-reports/annual-report-2017-18

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Improve the user experience for all Australians accessing government information and services by leading the design, development and continual enhancement of whole-of-government service delivery policies and standards, platforms and joined-up services. |

**Budgeted expenses for Outcome 1**

This table shows how much the DTA 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**



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, resources received free of charge and expenses where funding has been provided in a prior year.

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 criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| Outcome 1 – Improve the user experience for all Australians accessing government information and services by leading the design, development and continual enhancement of whole-of-government service delivery policies and standards, platforms and joined-up services. | |
| --- | --- |
| **Program 1.1** – *The objective of this program is to support agency delivery of high volume services, build and contribute to whole-of-government platforms and increase capability of the public service to deliver digital transformation.* | |
| **Delivery** | Delivery of a Digital Transformation Strategy and Roadmap, looking out to 2025.   * Developing annual digital transformation priorities to inform investment decisions * Creating policy to support consistent service transformation across Commonwealth entities * Supporting delivery of government-wide initiatives to join up services * Providing advice to government on emerging trends and opportunities   Delivery of investment advice and whole-of-government oversight on ICT and digital investments.   * Providing advice to government and Commonwealth entities on ICT investment, delivery and implementation of ICT policies   Delivery of whole-of-government digital platforms such as Digital Identity, Tell Us Once Notifications and improvements to myGov.   * Delivering whole-of-government platforms and services * Partnering with Commonwealth entities on delivery of services so that these services are simpler, clearer and faster for their users   A program of digital capability improvement, including sourcing reform.   * Simplifying sourcing processes for suppliers * Making sourcing processes easier for Commonwealth entities * Driving value optimisation on government ICT spend * Improving the tools that support sourcing * Delivering high quality ICT Emerging Talent Programs to entities * Establishing communities, developing best practices and building a digital culture * Building digital leadership and capability across government and Commonwealth entities |

Table 2.1.2: Performance criteria for Outcome 1 (continued)

|  |  |  |
| --- | --- | --- |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * Influence whole-of-government investment in ICT and digital services to move more government services online and deliver a better user experience. * Develop whole-of-government digital platforms and services to reduce costs, reduce duplication and provide better infrastructure for government agencies. * Oversee the delivery of significant ICT and digital investments to ensure the best use of the government's ICT spend. * Improve the sourcing experience for the sellers and buyers of government digital products and services. * Improve the digital capability of the APS to accelerate the government's transformation agenda. | * Provide advice to government and agencies on how to leverage emerging technologies and maximise digital investment. * Lead and partner on the development and enhancement of digital platforms and services. * Provide oversight and assurance to government that the design and delivery of ICT projects is on track to deliver the intended outcomes. * Provide greater value for money when buying government digital products and services. * Deliver programs and resources that increase the ICT and digital capability of agencies and their staff. |
| 2019-20 | * Provide advice to Government and Commonwealth entities on digital and ICT investment to deliver a better user experience. * Develop whole-of-government digital platforms and services to reduce costs, reduce duplication and provide better infrastructure for Commonwealth entities * Improve the sourcing experience for the sellers and buyers of government digital products and services. * Improve the digital capability of the APS to accelerate the government's transformation agenda. | * Provide advice to government and Commonwealth entities on how to leverage emerging technologies**.** * Provide advice to government and Commonwealth entities on the design and delivery of digital and ICT projects**.** * Lead and partner on the development and enhancement of digital platforms and services**.** * Provide greater value for money when buying government digital products and services**.** * Deliver programs and resources that increase the ICT and digital capability of Commonwealth entities and their staff. |
| 2020-21 and beyond | As per 2019-20 | As per 2019-20 |
| **Purposes** | **We accelerate the digital transformation of government by:**   * **encouraging investment in digital services** * **helping to transform the user experience for people and businesses dealing with government** * **improving the return on ICT and digital investment.** | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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 entity resource statement (Table 1.1) provides a consolidated view of all the resources available to the DTA in 2019-20. This includes appropriation receivable that is yet to be drawn to cover payables and provisions on the balance sheet. The comprehensive income statement (Table 3.1) shows the operating appropriation provided in 2019-20.

**3.1.2 Explanatory notes and analysis of budgeted financial statements**

Budgeted Revenue from Government in 2019-20 is estimated at $57.3 million, an increase of $16.2 million compared to the estimate for 2019-20 reported in the 2018-19 Portfolio Budget Statements (PBS). This increase is largely attributable to additional funding received from 2019-20 Budget measures.

Budgeted Sales of Goods and Rendering of Services in 2019-20 is estimated at $72.3 million, a decrease of $87.7 million compared to the estimate for 2019-20 reported in the 2018-19 PBS. This decrease is largely attributable to a technical accounting adjustment relating to the ICT Coordinated Procurement Special Account.

### 3.2 Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

Note: Impact of net cash appropriation arrangements



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. Includes estimates for expenses anticipated to be funded from the ICT Coordinated Procurement Special Account.
3. Includes estimates for revenue to be credited to the ICT Coordinated Procurement Special Account for onboarding agencies to WoAG contract arrangements.

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



Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

1. Includes the following sources of funding:

* current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
* donations and contributions;
* gifts;
* internally developed assets;
* s74 External Revenue; and
* proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



Prepared on Australian Accounting Standards basis.

1. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1) 2019-20* for depreciation/amortisation expenses, DCBs or other operational expenses.

# Indigenous Business Australia

**Entity resources and planned performance**

**Indigenous Business Australia**

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Indigenous Business Australia

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

IBA's vision is for a nation in which the Aboriginal and Torres Strait Islander Australians are economically independent and an integral part of the economy. Under its legislation, the Aboriginal and Torres Strait Islander Act 2005, IBA's purpose is to:

* assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency; and
* advance the commercial and economic interest of Aboriginal and Torres Strait Islanders by accumulating and using a substantial capital base for the benefit of the Aboriginal and Torres Strait Islander peoples.

To achieve its purpose, IBA has established three key strategic objectives, under which its specific strategies and performance indicators are grouped:

* IBA supports Aboriginal and Torres Strait Islander people to achieve their aspirations for home ownership;
* IBA provides financial and business support to Aboriginal and Torres Strait Islander business owners and entrepreneurs; and
* IBA invests where others will not in partnership with Aboriginal and Torres Strait Islander organisations and businesses to identify and access impactful investment opportunities and source and link investors to investments to grow wealth.

To achieve these objectives, and based on ongoing monitoring and evaluation of its activities, IBA has adjusted its performance criteria from the previous financial year and has established new measures as set out in Table 2.1.2.

* Performance Criteria 1 - Aboriginal and Torres Strait Islander Australians and communities experience improved access to economic and business opportunities;
* Performance Criteria 2 - Aboriginal and Torres Strait Islander Australians experience improved access to employment and procurement opportunities; and
* Performance Criteria 3 - Aboriginal and Torres Strait Islander Australians experience improved access to secure and stable housing.

Demand continues to grow from IBA’s customers for access to IBA’s products and services that support greater financial inclusion, and which reduce barriers to economic participation.

Against this backdrop of growing demand, IBA’s products, services and activities are influenced by factors in the external operating environment, including:

* the ongoing disparity between Indigenous and non-Indigenous home ownership levels;
* higher unemployment rates and intergenerational welfare dependency;
* the financial exclusion experienced by Aboriginal and Torres Strait Islander people limits the ability to leverage assets and grow wealth and contributes to a lack of intergenerational wealth;
* that the recent growth in native title, land settlements and negotiated settlements presents a compelling opportunity to convert assets into wealth for the benefit of current and future generations of Aboriginal and Torres Strait Islander people, communities and groups;
* the proportion of Aboriginal and Torres Strait Islander owned businesses is significantly lower than the non-Indigenous rate; and
* the shift in the national narrative, driven by a growth in Aboriginal and Torres Strait Islander communities and businesses towards aspiration, empowerment, independence and achievement.

IBA intends to address these by focussing on the following areas in the year ahead:

* address constraints on IBA’s operating model by exploring pathways to enable greater access to capital and increase its funding certainty to meet growing customer demand and support service delivery;
* support greater access to housing solutions and finance given the considerable social and economic benefits of secure and stable housing;
* support the economic empowerment of Aboriginal and Torres Strait Islander women;
* support the economic ambitions and aspirations of Aboriginal and Torres Strait Islander youth; and
* grow IBA’s research, evaluation and thought leadership capabilities to support, promote and scale successful Aboriginal and Torres Strait Islander-led economic development outcomes.

### 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 administered (on behalf of the Government or the public) and departmental (for the entity’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: IBA resource statement - Budget estimates for 2019-20 as at Budget April 2019**



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

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

1. *Appropriation Bill (No. 1) 2019-20*
2. *Appropriation Bill (No. 2) 2019-20*
3. Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to the Corporate Commonwealth Entity (CCE) (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

### 1.3 Budget measures

IBA has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for (IBA can be found at: <http://www.iba.gov.au/2018/08/iba-corporate-plan-2018-19/>

The most recent annual performance statement can be found at: <http://iba.gov.au/reports/AR1718/overview/index.html>

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| **Outcome 1: Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition, construction and access to concessional home and business loans** |

**Budgeted expenses for Outcome 1**

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

**Table 2.2: Budgeted expenses for Outcome 1**

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| Outcome 1 – Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition and access to concessional business and home finance | | |
| --- | --- | --- |
| **Delivery** | IBA increases wealth and assets for Aboriginal and Torres Strait Islander Australians, families, businesses, organisations and communities through:   1. Delivering finance products and support to assist Indigenous customers to enter into home ownership. 2. Providing finance products and support to help start-up, acquire or grow their own businesses. 3. Building commercial capability and creating wealth through investment in and direct management of businesses and assets. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Target, Measure** |
| 2018-19 | To make a lasting difference to the economic prosperity of Aboriginal and Torres Strait Islander communities and people across Australia. | Total value of business finance products approved in financial year1, $40m |
| Portfolio value of business finance products1, $120m |
| Survivability of Indigenous businesses2, Meets or exceeds the Australian average |
| Value of finance for home ownership outcomes approved3, $220m |
| Portfolio value of finance for home ownership outcomes3, $800m |
| Percentage of housing customers who transition or are supported into mainstream lending4,4.5% |
| Percentage of housing loans to applicants who are first home buyers, 90% |
| Total amount of Indigenous co-investments with IBA5, $155m |
| Portfolio return to Indigenous co-investors6, 7, CPI + 4% |
| Total value of Indigenous procurement8, $4.5m |
| % of suppliers that are Indigenous10,12.5% |

| **Performance information** | | |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Target, Measure** |
|  | To invest in and develop a skilled, culturally capable and outcome focused team that puts our customers first. | % of jobs held by Aboriginal and Torres Strait Islander people within IBA, 30% |
| % of jobs supported by IBA’s associates, subsidiaries and program customers held by Indigenous Australians9, 40% |
| 2019-20 | Aboriginal and Torres Strait Islander communities and people experience improved access to economic and business opportunities. | Value of business finance approved (annual), $40m1 |
| Survivability of IBA business finance customers, meets or exceeds the Australian average2 |
| Total amount of Indigenous co-investments with IBA, $200m5 |
| Portfolio return to Indigenous co-investors (annual), CPI +3.5%6,7 |
| Aboriginal and Torres Strait Islander Australians experience improved access to employment and procurement opportunities. | % of total value of goods or services purchased from Indigenous suppliers (annual), 5%8 |
| % of IBA’s suppliers that are Indigenous (annual), 15%10 |
| % of jobs supported by IBA’s associates, subsidiaries and program customers held by Indigenous Australians, 40%9 |
| Aboriginal and Torres Strait Islander Australians experience improved equitable access to secure and stable housing. | Number of home ownership outcomes approved (annual), 6503,11 |
| Value of home ownership outcomes approved (annual), $200m3 |
| % of Indigenous home owners who transition or are supported into mainstream lending (annual), 4.5%4 |
| % of housing loans to applicants who are first home buyers (annual), 90% |
| % of homeowners who transition from social housing and affordable rental to homeownership (annual), 5%12 |
| 2020-21 and beyond | Aboriginal and Torres Strait Islander communities and people experience improved access to economic and business opportunities. | Value of business finance approved (annual), $45m1 |
| Survivability of IBA business finance customers, Meets or exceeds the Australian average2 |
| Total amount of Indigenous co-investments with IBA, $220m5 |

| **Performance information** | | |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Target, Measure** |
|  |  | Portfolio return to Indigenous co-investors (annual), CPI +3.5%6,7 |
| Aboriginal and Torres Strait Islander Australians experience improved access to employment and procurement opportunities. | % of total value of goods or services purchased from Indigenous suppliers (annual), 5%8 |
| % of IBA’s suppliers that are Indigenous (annual), 15%10 |
| % of jobs supported by IBA’s associates, subsidiaries and program customers held by Indigenous Australians, 40%9 |
| Aboriginal and Torres Strait Islander Australians experience improved equitable access to secure and stable housing. | Number of home ownership outcomes approved (annual), 6503,11 |
| Value of home ownership outcomes approved (annual), $220m3 |
| % of Indigenous home owners who transition or are supported into mainstream lending (annual), 4.5%4 |
| % of housing loans to applicants who are first home buyers (annual), 90% |
| % of homeowners who transition from social housing and affordable rental to homeownership (annual), 5%12 |
| **Purposes** | 1. To assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency. 2. To advance the commercial and economic interests of Aboriginal persons and Torres Strait Islanders by accumulating and using a substantial capital asset for the benefit of the Aboriginal and Torres Strait Islander peoples. | |

1 Business related finance products include loans, performance bonds, leases and other finance products approved in financial year

2 The trading status of business finance customers is measured at the end of each financial year. Results are compared with data showing “survival rate by employment size range” as published by the Australian Bureau of Statistics in the most recent available version of: Cat. no. 81650.0 Counts of Australian Businesses, including entry and exits. Measure will be reported on by survivability of finance clients compared to Australian average.

3 Loans, guarantees and other finance products provided for home acquisitions (including purchase of residential land), property settlement, refinance and essential home improvements approved in financial year.

4 Total Transition to mainstream lending arises where the customer refinances home finance with a commercial lender. Support provided by IBA to access mainstream lending includes loans, guarantees, deposit assistance and other finance products that enable the customer to access finance with a commercial lender

5 Total value of funds invested by Indigenous organisations, businesses and individuals alongside IBA, including in managed funds, direct investments and property.

6 Portfolio return to IBA’s Indigenous co-investors during the year, calculated as the after-tax

comprehensive income (including valuation increments and decrements) generated by Indigenous co-investors’ and beneficiaries’ interests in the investment portfolio in the budget year, expressed as a percentage of the aggregate value of Indigenous co-investors’ and beneficiaries’ holdings.

7 Portfolio CPI refers to the average consumer price index for Australia during the measurement period. For example, if the realised CPI for 2018–19 is 1.7%, the expected return based on a target of CPI + 4% is 5.7% (1.7% + 4%).

8 Goods and services procured from Indigenous businesses by IBA and its subsidiaries and associates.

9 Is calculated as the sum of (i) the rolling twelve-month average of all Indigenous employees of IBA subsidiaries and associates (to incorporate seasonality changes); and (ii) the number of Indigenous employees within IBA’s businesses finance customers (recorded annually).

10 Total percentage of suppliers who are Indigenous owned businesses used to procure goods and services by IBA and its subsidiaries and associates

11 Is calculated as the sum of the rolling twelve-month average of all home loans approved to Aboriginal and Torres Strait Islander Australians

12 Calculated using the total number of IBA home loan customers who were previously in social housing (including public housing or community housing).

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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

An analysis of the primary causes of movements in the budgeted financial statements is provided below. The 2018-19 estimated actual results are used as the comparative year in the analysis.

IBA budgets are prepared on a consolidated basis for the agency and its 46 subsidiaries, of which, 30 trading. On consolidation, assets, liabilities, income and expenditure of all subsidiaries flow through to individual line items in the consolidated budget.

Comprehensive Income Statement

IBA is budgeting for an operating surplus of $18.5 million in 2018-19 and an estimated operating surplus of $29.9 million in 2019-20.

Budgeted Departmental Balance Sheet

Budgeted net assets as at 30 June 2020 of $1,550.0 million represents an increase of $72.8 million over the net assets of $1,477.2 million as at 30 June 2019. The main drivers of the increase ($72.8 million) are:

* continuing capital injections from the Government of $22.9 million.
* estimated contributions of equity from indigenous partners of $20.0 million.
* the estimated operating surplus of $29.9 million.

*Budgeted Departmental Statement of Cash Flows*

Net lending activity is expected to be $102.1 million in 2019-20.

*Departmental Statement of Changes in Equity*

Total equity is expected to increase by $72.8 million to $1,550 million as at 30 June 2020, with the additional equity injection of $22.9 million from the Commonwealth, indigenous co-investment of $20.0 million and the Budget year surplus of $29.9 million.

Notes to budgeted financial statements

*Concessional Loan Discount*

IBA continues to designate its loan portfolio in accordance with applicable accounting standards. In line with updated accounting standards, IBA amortises the concessional loan discount over the course of its estimated remaining life.

*Financial Assets – Trade and Other Receivables*

This includes loans and advances made by IBA to clients in the delivery of its outputs, in addition to amounts owing to IBA for delivery of goods and services, and dividends owed to IBA from subsidiaries, associates and investments. Loans receivable are amortised over the course of their estimated remaining lives in accordance with applicable accounting standards.

*Non-Financial Assets*

Except for any re-valued assets, reported value of plant and equipment represents the purchase price paid less depreciation incurred. Land and building held for investment are carried at fair value.

### 3.2 Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

1. Accounting Standard AASB 9 was recently revised and adopted for reporting from 1 July 2018. The revised standard transitions from recognising and impairing loan assets on fair value basis to an amortisation cost approach basis. As a consequence the expenses and revenues associated with loan assets were revised.

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



Prepared on Australian Accounting Standards basis.

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



\*’Equity’ is the residual interest in assets after the deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);

- donations and contributions;

- gifts;

- internally developed assets;

- s74 External Revenue; and

- proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



Prepared on Australian Accounting Standards basis.

# Indigenous Land and Sea Corporation

**Entity resources and planned performance**

**Indigenous Land and Sea Corporation**

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**Indigenous Land and Sea Corporation**

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Indigenous Land and Sea Corporation (ILSC) is a corporate Commonwealth entity established (as the Indigenous Land Corporation) on 1 June 1995 as a component of the national settlement after the *Mabo* judgment (1992) recognised common law native title rights to land. It is governed by the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act).

The ILSC assists Aboriginal and Torres Strait Islander people to realise economic, social, cultural and environmental benefits that the ownership and management of land and fresh water and salt water rights can bring. The ILSC provides this assistance through the acquisition and management of rights and interests in land, salt water and fresh water country.

Amendments to the ATSI Act, effective 1 February 2019, renamed the Indigenous Land Corporation as the Indigenous Land and Sea Corporation and extended the ILSC’s remit to include acquisition and management functions in relation to fresh and salt-water country. The ILSC’s purposes are to assist Indigenous Australians to acquire land, waters and water-related rights and to manage Indigenous land (however it was acquired) and waters so as to achieve economic, environmental, social or cultural benefits. The ATSI Act requires that the ILSC grant interests in land and waters acquired to Indigenous corporations ‘within a reasonable time’, and perform its management functions only in relation to Indigenous-held land and Indigenous waters.

The operationalisation of this expanded remit is the ILSC’s core strategic focus for the 2019-20 budget period. In the period to August 2019, the ILSC will be consulting with Indigenous stakeholders on the preparation of its inaugural National Indigenous Land and Sea Strategy and related Regional Indigenous Land and Sea Strategies (NILSS and RILSS respectively). The NILSS will replace the current National Indigenous Land Strategy in setting out how the ILSC will deliver its functions to 2022.

The ILSC’s acquisition and management functions are primarily delivered through the *Our Land Our Future* (OLOF) program. The ILSC will prioritise the refresh of OLOF in the first half for the budget period, ensuring alignment with the ILSC’s expanded remit and broadened stakeholder base. Key features of the revised program will be increased transparency in project assessment and enhanced commitment to meeting customer service standards, ensuring that the ILSC provide maximum benefits for Indigenous Australians.

As of 1 February 2019, the ILSC draws its funding from the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF). Established by the *Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018* (ATSILSFF Act), introduced in cognate with amendments to the ATSI Act, the ATSILSFF is managed by the Future Fund Management Agency and Board of Guardians. Funding is released to the ILSC annually through the ILSC funding special account, in accordance with s20 (3) of the ATSILSFF Act.

The ILSC’s primary decision-making body is a seven-member Board, of whom five members including the Chairperson must be Indigenous Australians. The Board sets the ILSC’s strategic direction, oversees governance, considers significant project proposals and monitors performance

The ATSI Act provides for the establishment of subsidiaries as vehicles for performance of the ILSC’s functions. With the ILSC, the three wholly-owned subsidiaries below form the ILSC Group:

* Voyages Indigenous Tourism Australia (Voyages) Pty Ltd, which owns and manages Ayers Rock Resort, Northern Territory (NT), and manages two other tourism enterprises developed by the ILSC
* Australian Indigenous Agribusiness Company (AIA) Pty Ltd, which employs labour on a number of agribusinesses developed by the ILSC on ILSC-owned land or land leased from Indigenous owners—the management of agribusiness operations has recently been reintegrated into the ILSC
* National Centre of Indigenous Excellence (NCIE) Ltd, which manages the ILSC-developed social enterprise of the same name in Redfern, Sydney, NSW.

ILSC-developed enterprises in agriculture and tourism are a vehicle for Indigenous development in regional and remote areas and offer a base for Indigenous training-to-employment projects funded by the ILSC and its subsidiaries in collaboration with the Australian Government’s Indigenous Advancement Strategy.

The ILSC works with Aboriginal and Torres Strait Islander people to invest in Indigenous held-land and waters to build Indigenous prosperity and wellbeing. The ILSC supports the return and management of country to and by Aboriginal and Torres Strait Islander people and corporations to achieve economic independence (in particular jobs); social benefit; strengthened cultural identity through connection to country; and environmental sustainability. To align with the Australian Government’s priority of Indigenous economic development, and in particular economic development on Indigenous-held land, the ILSC will in 2019–20 and future years continue to work closely with Indigenous Business Australia (IBA).

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to ILSC 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 ILSC’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 ILSC resource statement — Budget estimates for 2019-20 as at Budget April 2019**



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

(a) A Commonwealth Corporate Entity (CCE) may receive payment from a special account held by a Non‑Corporate Commonwealth Entity (NCCE). The CCE does not hold the special account itself and therefor does not have a balance carried forward from earlier years.

### 1.3 Budget measures

The ILSC has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for ILSC can be found at: (http://www.ilc.gov.au/IndigenousLandCorporation/media/Items/Content/Publications/Corporate%20Documents/ILC-Corporate-Plan-2018-19-StrategyTo2022.pdf).

The most recent annual performance statement can be found at: (http://www.ilc.gov.au/Home/About/Publications/Latest-Annual-Report).

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| **Outcome 1: Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through the acquisition and management of land, water and water-related rights.** |

**Budgeted expenses for Outcome 1**

This table shows how much the ILSC 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**

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| * **Outcome 1 – Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through the acquisition and management of land, water and water-related rights.** | | |
| **Program 1.1** – The objective of this program is to acquire and manage Indigenous land and water-related interests. | | |
| **Delivery** | The ILSC delivers this program by:   * acquiring and granting interests in land and water to Indigenous corporations to provide access to and protection of cultural and environmental values and to achieve socioeconomic development * assisting Indigenous groups manage their land and water-based interests (through grants, guarantees, loans or provision of services) to manage their interests sustainably including the development of viable enterprises * operating subsidiary companies that manage agricultural, tourism and community-based enterprises on lands and waters over which Indigenous Australians hold a legal interest; these enterprises provide training, employment and other opportunities for Indigenous communities and individuals. | |
| **Performance information** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
| 2018-19 | Deliverable 1  Properties Acquired | 4 |
| Deliverable 2  Properties granted | 6 |
| Deliverable 3  Number of active land acquisition and management projects | 105 |
| KPI 1  Indigenous employment   * Number of Indigenous staff directly employed across the ILSC Group * Number of Indigenous employment outcomes enabled by ILSC land acquisition and management projects active in financial year | 525  525 |
| KPI 2  Indigenous training   * Number of Indigenous trainees hosted/employed across the ILSC Group * Number of Indigenous training completions enabled by ILSC land acquisition and management projects active in financial year | 120  1050 |
| KPI 3  Indigenous business development  Number of Indigenous enterprises assisted by ILSC Group projects | 63 |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
|  | KPI 4  Protection of Indigenous culture, heritage and the environment  Proportion of active ILSC Group projects (Deliverable 3) that maintained or protected Indigenous culture, heritage and/or the environment | 50% |
| KPI 5  Collaboration  Proportion of active ILSC Group projects (Deliverable 3) that involved contributions from third parties (beyond immediate beneficiary group) | 60% |
| KPI 6  ILSC Group contribution to the Indigenous Estate | Qualitative measure |
| 2019-20 | Deliverable 1  *Interests in land and water/waters acquired* | 5 |
| Deliverable 2  *Interests granted* | 8 |
| Deliverable 3  *Number of active acquisition and management projects* | 110 |
| KPI 1  Indigenous employment   * Number of Indigenous staff directly employed across the ILSC Group * *Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year* | 550  550 |
| KPI 2  Indigenous training   * Number of Indigenous trainees hosted/employed across the ILSC Group * *Number of Indigenous training completions enabled by ILSC funded projects active in financial year* | 140  1100 |
| KPI 3  Indigenous business development  Number of Indigenous enterprises assisted by ILSC Group projects | 66 |
| KPI 4  Protection of Indigenous culture, heritage and the environment  Proportion of active ILSC Group projects (Deliverable 3) that maintained or protected Indigenous culture, heritage and/or the environment | 50% |
| KPI 5  Collaboration  Proportion of active ILSC Group projects (Deliverable 3) that involved contributions from third parties (beyond immediate beneficiary group) | 60% |

|  |  |  |
| --- | --- | --- |
| **Performance information (continued)** | | |
| **Year** | **Performance criteria** (a) | **Targets** |
|  | KPI 6  ILSC Group contribution to the Indigenous Estate | Qualitative measure |
| 2020-21 and beyond | Deliverable 1  *Interests in land and water/waters acquired* | 5 |
| Deliverable 2  *Interests granted* | 8 |
| Deliverable 3  *Number of active acquisition and management projects* | 110 |
| KPI 1  Indigenous employment   * Number of Indigenous staff directly employed across the ILSC Group * *Number of Indigenous employment outcomes enabled by ILSC funded projects active in financial year* | 550  550 |
| KPI 2  Indigenous training   * Number of Indigenous trainees hosted/employed across the ILSC Group * *Number of Indigenous training completions enabled by ILSC funded projects active in financial year* | 140  1100 |
| KPI 3  Indigenous business development  Number of Indigenous enterprises assisted by ILSC Group projects | 66 |
| KPI 4  Protection of Indigenous culture, heritage and the environment  Proportion of active ILSC Group projects (Deliverable 3) that maintained or protected Indigenous culture, heritage and/or the environment | 50% |
| KPI 5  Collaboration  Proportion of active ILSC Group projects (Deliverable 3) that involved contributions from third parties (beyond immediate beneficiary group) | 60% |
| KPI 6  ILSC Group contribution to the Indigenous Estate | Qualitative measure |
| **Purposes** (b) | The ILSC assists Aboriginal and Torres Strait Islander people to realise economic, social, cultural and environmental benefits that the ownership and management of land and fresh water and salt water rights can bring. | |

1. New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
2. Refers to updated purposes that will be reflected in the 2019-20 Corporate Plan.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2019-20 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 financial statements included in the Portfolio Budget Statements are for the ILSC Group comprising the ILSC (the parent entity) and its wholly owned subsidiaries other than Voyages Indigenous Tourism Australia Pty Ltd that has been classified as a Public Non-Financial Corporation and is not a general government sector body.

The ILSC’s primary source of income is an annual minimum payment of $45 million indexed from the Aboriginal and Torres Strait Islander Future Fund pursuant to section 193(2) of the ATSI Act. Indexation has been applied annually to the base amount of $45 million since 2010-11. Since February 2019, the Aboriginal and Torres Strait Islander Future Fund is managed by the Finance Portfolio with the legislated payments being made to the ILSC through the Indigenous Land and Sea Corporation Funding Special Account managed by PM&C. The total resources for the ILSC’s outcome include the income from the Aboriginal and Torres Strait Islander Future Fund, and represent the funds available to ILSC to carry out its legislated functions.

Under its legislation, the ILSC has the flexibility to invest funds and to roll over funds not expended in previous years.

Under section 191H of the ATSI Act, ILSC has the specific power to invest money. Earnings on these investments are represented in the Comprehensive Income Statement (Table 3.1).

Under its legislation, the ILSC acquires interests in land, water and water-related rights for the specific purpose of granting that interest to an Aboriginal or Torres Strait Islander corporation. The ILSC capitalises the interest on purchase and makes an immediate provision for the grant equivalent to the purchase price. In the Comprehensive Income Statement (Table 3.1), the expenses associated with the purchase and grant of interests are recognised in the period in which the interest is purchased. Expenses associated with projects providing for the management of Indigenous land and or waters are recognised in the period in which the expenditure is incurred.

The ILSC also holds properties for granting that have significant livestock on them. In accordance with Australian Accounting Standards, the ILSC values the livestock on a market-to-market basis. Accordingly, the change in market value in any given period is recognised in the Comprehensive Income Statement (Table 3.1).

### 3.2. Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

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

****Prepared on Australian Accounting Standards basis.

\*Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis.

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

****  
Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);

- donations and contributions;

- gifts;

- internally developed assets;

- s74 External Revenue; and

- proceeds from the sale of assets.

**Table 3.6: Statement of asset movements (Budget year 2019‑20)**



# North Queensland Livestock Industry Recovery Agency

Entity resources and planned performance

North Queensland Livestock Industry Recovery Agency

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North Queensland Livestock Industry Recovery Agency

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

In late January and early February 2019, a monsoon trough caused widespread flooding across Northern and Western Queensland. As floodwaters moved west of the Great Dividing Range, widespread and catastrophic impacts materialised in the pastoral zone of North Western Queensland, impacting severely on grazing properties. In addition to high stock losses, reports indicated extensive damage to on-farm infrastructure related to livestock production – particularly fences, dams and other watering infrastructure. A consolidated picture of the likely scale and extent of this damage across the affected region is yet to emerge.

The North Queensland Livestock Industry Recovery Agency (NQLIRA) was announced by Prime Minister Scott Morrison on 1 March 2019 to assist with the immediate response, recovery and reconstruction efforts in support of North, Far North and Western Queensland communities affected by the heavy rainfall and wide-spread flooding in early 2019.

The NQLIRA is working closely with affected agricultural businesses, communities, local, state and Commonwealth agencies, and provides advice to the Prime Minister on how Australian Government programs can best provide tailored support to flood affected primary producers and communities in North Queensland. NQLIRA will complement existing Disaster Recovery Funding Arrangements (DFRA) with a focus on what needs to be done both immediately and in the longer-term, through a staged approach.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to NQLIRA 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 departmental (for NQLIRA’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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NQLIRA resource statement — Budget estimates for 2019-20 as at Budget April 2019

  
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. Funding in 2018-19 is provided to the Department of the Prime Minister and Cabinet for the establishment of NQLIRA.
2. *Appropriation Bill (No. 1) 2019-20.*
3. Excludes departmental capital budget (DCB).
4. DCB is not separately identified in *Appropriation Bill (No.1)* and forms 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. Subject to passing of legislation.

### 1.3 Budget measures

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

Table 1.2: Entity 2019-20 Budget measures

Part 1: Measures announced since the 2018‑19 Mid-Year Economic and Fiscal Outlook (MYEFO)



Note: Prepared on a Government Finance Statistics (fiscal) basis.

1. The measure *North Queensland Flood Recovery Package* is a cross portfolio measure. The full measure description and package details appear in *Budget Paper No. 2* under Cross Portfolio. Funding in 2018‑19 is provided to the Department of the Prime Minister and Cabinet for the establishment of NQLIRA.

## 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in corporate plans and annual performance statements – included in Annual Reports - to provide an entity’s complete performance story.

NQLIRA’s corporate plan and annual report are currently being drafted and will be available on the NQLIRA website once established.

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: To coordinate Commonwealth activities for the purpose of recovery and reconstruction in areas affected by the North and Far North Queensland Monsoon Trough (25 Jan – 14 Feb 2019), including through strategic leadership, consultation and administration of the loan mechanism to provide assistance to eligible primary producers by way of loans to Authorised Deposit-taking Institutions at the Government’s cost of borrowing. |

**Budgeted expenses for Outcome 1**

Table 2.1.1 details how much NQLIRA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1



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

1. Funding 2018-19 is provided to the Department of the Prime Minister and Cabinet for the establishment of NQLIRA.
2. Subject to passing of legislation.
3. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| Outcome 1 – To coordinate Commonwealth activities for the purpose of recovery and reconstruction in areas affected by the North and Far North Queensland Monsoon Trough (25 Jan – 14 Feb 2019), including through strategic leadership, consultation and administration of the loan mechanism to provide assistance to eligible primary producers by way of loans to Authorised Deposit-taking Institutions at the Government’s cost of borrowing. | | |
| Program 1.1 – North Queensland Livestock Industry Recovery Agency | | |
| Delivery | | |
| The North Queensland Livestock Industry Recovery Agency (NQLIRA) was established to provide advice on and coordinate the Australian Government’s assistance and support for the North Queensland livestock industry and affected communities, following the significant flood event in the region in late January and early February 2019. The agency will also design, develop, consult on and coordinate the delivery of a long-term plan for the recovery of the livestock industry in the region. | | |
| Performance information | | |
| **Year** | **Performance criteria** | **Targets** |
| 2019-20 | NQLIRA will coordinate the provision of assistance and support to flood impacted individuals, families, primary producers, businesses and communities to improve their circumstances. The NQLIRA is working in collaboration with a range of stakeholders across the Australian and Queensland governments. | * At least $300 million of grants will be made available to primary producers for restocking, replanting and infrastructure rebuilding. * Up to $1.75 billion worth of low-cost loans may be made available to Authorised Deposit-taking Institutions to pass on to eligible primary producers |
| 2020-21 and beyond | The NQLIRA will continue to coordinate the provision of assistance and support to, and provide advice on the needs of flood impacted individuals, families, primary producers, businesses and communities; and facilitate the delivery of long term plan for the recovery and reconstruction of these areas. | * NQLIRA has arrangements in place to coordinate, oversight and provide advice on the needs of flood impacted individuals, families, primary producers, businesses and communities. * Delivery of a long-term plan for the recovery and reconstruction of affected communities. |
| **Purpose** | The NQLIRA has been established to:   1. to provide strategic leadership and coordination for the Commonwealth’s recovery and reconstruction activities in the flood affected areas of North, Far North and Western Queensland following the North and Far North Queensland Monsoon Trough (25 January – 14 February 2019) 2. to design, develop, consult on and coordinate the delivery of a long-term plan for the recovery and reconstruction of these areas 3. to build and maintain effective working relationship with stakeholders in these areas to inform recovery and reconstruction priorities 4. to provide advice to the Prime Minister on how existing and new Commonwealth policies and programs can best contribute to the recovery and reconstruction efforts in these areas 5. to provide a coordination point for information on associated Commonwealth recovery and reconstruction activities 6. to provide advice to the Prime Minister on matters relevant to the NQLIRA, and 7. to undertake other relevant tasks as directed by the Prime Minister. | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NQLIRA finances for the 2019-20 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**

*Departmental Comprehensive Income Statement*

In all Budget years the NQLIRA is budgeting for a break-even operating result, adjusted for depreciation and amortisation expense. Appropriation revenue from Government will decrease in 2020-21 due to lower levels of funding for the 2019-20 North Queensland Flood Recovery Package measure to establish the NQLIRA. Funding for the measure was $8.8 million in 2019-20 then reduces to a baseline of $7.0 million in 2020-21 through the forwards.

*Schedule of budgeted income and expenses administered on behalf of Government*

NQLIRA will provide low interest loans of up to $1.75 billion to eligible financial institutions for up to three years to reduce the cost of interest on new and existing loans to eligible flood-affected primary producers (beef and cattle farmers) affected by floods in Northern Queensland in 2019.

### 3.2. Budgeted financial statements tables

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



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.

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



Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2019‑20)



1. ‘Appropriation ordinary annual services’ refers to funding provided through *Appropriation Bill (No. 1)* 2019-20 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)** 

Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

# Office of National Intelligence

**Entity resources and planned performance**

**Office of National Intelligence**

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**Office of National Intelligence**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The Office of National Intelligence (ONI) is an independent statutory authority within the Prime Minister and Cabinet portfolio and reports directly to the Prime Minister. ONI was established by the *Office of National Intelligence Act 2018* (the ONI Act) in December 2018, subsuming the functions of the Office of National Assessments.

ONI positions the Australian Government to respond to a changing and complex environment through the provision of intelligence assessments and collection of open source information. In parallel with this, ONI is responsible for enterprise-level management of the national intelligence community (NIC) and ensures a single point of accountability to the Prime Minister and National Security Committee of Cabinet on intelligence matters.

**All-source assessment**

ONI’s intelligence assessment function – drawing on all sources – is central to its purpose, and will continue to improve on responsiveness to the needs of the Prime Minister and other key policy customers. ONI’s success hinges on the ability to access, understand and interpret intelligence – and publicly available information – and to identify, analyse and communicate meaning effectively.

ONI’s assessment function has expanded in scale and scope to meet government’s requirements. Significantly, ONI now has an assessment remit that extends to matters of political, strategic or economic significance to Australia without an international aspect, in support of ONI’s other functions and to complement the work of other NIC agencies.

**Open Source Centre**

ONI’s Open Source Centre (OSC) is responsible for collecting, interpreting and disseminating information relating to matters of political, strategic or economic significance to Australia, which is available in the public domain. The OSC’s output provides unique value to government by supplementing classified intelligence sources and assessment, and filling information gaps for decision-makers.

**Enterprise Management**

ONI is responsible for leading the NIC, with a focus on promoting the integration of the community. ONI’s goal is to ensure Australia has an agile, joined-up intelligence enterprise that will meet the challenges of Australia’s evolving security environment. To achieve this, ONI has a broad coordination, evaluation and prioritisation remit; this includes overseeing the mechanism that sets and implements Australia’s intelligence priorities, as well as being accountable for evaluating the NIC’s performance against these priorities.

Another key element of the enterprise leadership function is addressing the NIC’s future capability requirements by developing and coordinating capability funding proposals. ONI is also responsible for NIC governance structures and strategic workforce planning for the community, which will diversify and equip a highly-skilled, adept and agile NIC workforce.

**Advisory functions**

The Director-General of National Intelligence is the principal advisor to the Prime Minister on intelligence matters, which includes providing advice on intelligence collection and assessment priorities, NIC intelligence capabilities, the allocation of responsibility for intelligence collection across the NIC, as well as matters relating to the NIC more generally.

Although ONI is mandated to perform its various functions, there are factors and trends – external and beyond control – that provide the broader context for ONI’s work and impact on the ability for ONI to achieve its purpose. These include:

* political, economic and strategic shifts in international circumstances;
* evolutions in ONI’s operating environment domestically;
* a customer base that is increasing the demand on ONI and the broader NIC; and
* a rapidly growing and diversifying information environment.

ONI’s broader strategic risks – those that relate to the fulfilment of its purpose – are mitigated in part by a robust strategic management framework. In addition, ONI is seeking to achieve the mandated outcomes for government by nurturing and advancing its people; knowledge management capabilities and solutions; relationships, both domestic and international; and business processes.

**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 administered (on behalf of the Government or the public) and departmental (for the entity’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: ONI resource statement — Budget estimates for 2019-20 as at Budget April 2019**



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. Annual appropriation amounts appearing for 2018-19 do not include the *Appropriation Bills (No. 3) and (No. 4) 2018-2019*, as they had not been enacted at the time of publication.
2. *Appropriation Bill (No. 1) 2019-20*. Excludes $2.018m 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. 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. *Appropriation Bill (No. 2)* *2019-20.*

**1.3 Budget measures**

ONI has no budget measures in the 2019-20 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.

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia and integration, coordination and evaluation of Australia's national intelligence capabilities.** |

**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, as well as by Departmental funding sources.

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



1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

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

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ONI’s finances for the 2019-20 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 Entity Resource Statement (Table 1.1) provides a consolidated view of all the resources available to ONI in 2019-20. This includes equity injections and appropriation receivable that is yet to be drawn down to cover payables and provisions on the Departmental Balance Sheet (Table 3.2). The Comprehensive Income Statement (Table 3.1) shows only the operating appropriation provided in 2019-20.

**3.1.2 Explanatory notes and analysis of budgeted financial statements**

ONI does not have any special accounts or manage administered funds.

*Comprehensive Income Statement*

ONI is budgeting for a break-even operating result, adjusted for depreciation and amortisation expense in 2019-20, and forward estimate years. Employee and supplier expenses are budgeted to grow in line with the increase in over the Budget and forward estimate years.

*Budgeted Departmental Balance Sheet*

Cash balances are maintained within a working capital limit of $0.7 million as agreed with the Department of Finance.

Appropriation balances carried forward are retained to cover employee provisions and supplier payables, and for the management of the accounting treatment of the building lease. The change in supplier payables reflects the rent payable liability changing over the Budget and forward years due to the requirement for lease payments under an operating lease to be recognised as an expense on a straight-line basis over the lease term.

*Budgeted Departmental Statement of Cash Flows*

The cash flow is consistent with, and representative of, the transactions reported in the Comprehensive Income Statement (Table 3.1), adjusted for non-cash items and anticipated capital purchases.

**3.2. Budgeted financial statements tables**

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



**Note: Impact of net cash appropriation arrangements**



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.

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

\*‘Equity’ is the residual interest in assets after deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis

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



Prepared on Australian Accounting Standards basis.

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



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).

**Table 3.6: Statement of asset movements (Budget year 2019‑20)**



Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through *Appropriation Bill (No. 2)* 2019-20, including CDABs.
2. Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No.1) 2019-20* for depreciation/amortisation expenses, DCBs or other operational expenses.

# Office of the Official Secretary to the Governor-General

**Entity resources and planned performance**

**Office of the Official Secretary to the Governor-General**

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**Office of the Official Secretary to the Governor-General**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The planned outcome for the Office of the Official Secretary to the Governor-General (OOSGG) is the facilitation of the performance of the Governor-General’s role through the organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.

The OOSGG delivers its planned outcome through one program, being ‘Support for the Governor-General and Official Functions’.

The OOSGG’s role is to support the Governor-General to enable the performance of official duties, including support in connection with official functions, the management and maintenance of Government House in Canberra and Admiralty House in Sydney and the effective administration of the Australian Honours and Awards system.

**1.2 Entity resource statement**

Table 1.1 shows the total funding from all sources available to OOSGG 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 OOSGG’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 (i.e. appropriations/cash available) basis, whilst the ‘Budgeted Expenses for Outcome 1’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: OOSGG resource statement — Budget estimates for 2019-20 as at Budget April 2019**

****

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

Prepared on a resourcing (i.e. appropriations available) basis.

1. Annual appropriation amounts appearing for 2018-19 do not include the *Appropriation Bills (No. 3)* *and (No. 4) 2018-2019*, as they had not been enacted at the time of publication.
2. *Appropriation Bill (No. 1) 2019-20.*
3. Excludes departmental capital budget (DCB).
4. Estimated External Revenue receipts under section 74 of the PGPA Act 2013.
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 is designated as a 'contribution by owner'.

**1.3 Budget measures**

OOSGG has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in the 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 an entity’s complete performance story.

The most recent corporate plan for OOSGG can be found at: <https://www.gg.gov.au/office-official-secretary-governor-general/corporate-plans>

The most recent annual performance statement can be found at: <https://www.gg.gov.au/office-official-secretary-governor-general/annual-reports>

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: The performance of the Governor-General’s role is facilitated through organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.** |

**Budgeted expenses for Outcome 1**

This table shows how much OOSGG 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**



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

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

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 criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where  
2019-20 Budget measures (if any) have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – The performance of the Governor-General’s role is facilitated through organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system.** | | |
| **Program 1.1** – The objective of this program is to support the Governor-General and Official Functions. It comprises two components: support for the Governor-General and administration of the Australian Honours and Awards system. | | |
| **Delivery (component 1)** | The program component deliverables include:  • Executive support—providing advice to the Governor-General, planning, implementing and managing Their Excellencies’ forward program of engagements and liaising with representatives of governments, related authorities and community groups  • Personal support— providing support for Their Excellencies and hospitality services for official functions  • Administrative services— providing governance advice and administrative services to OOSGG and managing the Governor-General’s official residences, including maintenance of property, equipment and grounds. | |
| **Performance information (component 1)** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * The Governor-General is satisfied with the level of advice and administrative support provided that enables him to successfully perform official duties * The Governor-General is satisfied with the management of the households * The properties are managed in accordance with the requirements of the *Environment Protection and Biodiversity Conservation Act 1999* and government policies relating to heritage properties, and with due consideration of advice provided by the National Capital Authority and other relevant authorities. | It is expected all performance criteria as outlined in the 2018‑19 PBS will be met. |
| 2019-20 | As per 2018-19. | As per 2018-19. |
| 2020-21 and beyond | As per 2018-19. | As per 2018-19. |

**Table 2.1.2: Performance criteria for Outcome 1 (continued)**

|  |  |  |
| --- | --- | --- |
| **Delivery (component 2)** | The program component will be delivered by administering, on behalf of the Governor-General, the Australian honours and awards system, including all civilian honours and awards for members of the Australian Defence Force. This includes:   * Researching and preparing nominations for consideration by the Council for the Order of Australia, the Australian Bravery Decorations Council and the National Emergency Medal Committee * Providing secretariat support to the Australian honours advisory bodies * Undertaking the administrative tasks associated with the approval of recipients in the Australian honours system and subsequent announcement where applicable * Procuring Australian honours insignia, warrants and investiture items. * Facilitating the approval of, and changes to, governing instruments within the Australian honours system   Providing insignia to State/Territory Government Houses, service organisations and individuals for issue, and arrange local investitures. | |
| **Performance information (component 2)** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * The Governor-General and other key stakeholders express satisfaction with the administration of the Australian Honours and Awards system and support provided * Activities comply with the governing instruments for honours and awards, including the Constitution for the Order of Australia * The medals and insignia meet design specifications, adequate stock levels are maintained and control processes are adhered to * Ensure the accurate and timely issue of insignia and other resources for investitures and honours list announcements. | It is expected all performance criteria as outlined in the 2018‑19 PBS will be met. |
| 2019-20 | As per 2018-19. | As per 2018-19. |
| 2020-21 and beyond | As per 2018-19. | As per 2018-19. |
| **Purpose** | The OOSGG was established in 1984, by amendment to the *Governor-General Act 1974*, to support the Governor-General in the fulfilment of his/her responsibilities. It has one Outcome and one Program, which has two components as outlined above. | |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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**

*Comprehensive Income Statement*

The OOSGG is budgeting for a break-even operating result, adjusted for depreciation and amortisation expense, in 2019-20 and the forward years.

The Comprehensive Income Statement (Table 3.1) sets out the expected operating results for the ordinary annual services provided by the OOSGG, which are funded by departmental appropriations and other revenue.

*Balance Sheet*

The movement in the OOSGG’s net asset position is principally as a result of the procurement of replacement infrastructure, plant and equipment assets owned by the OOSGG.

The OOSGG’s primary liability is accrued employee entitlements.

**Administered**

*Schedule of Budgeted Income and Expenses Administered on Behalf of Government*

In 2019-20, the OOSGG will receive administered appropriations of $0.4 million for the Governor-General’s salary and $1.6 million for support of the Australian Honours and Awards System.

*Administered Capital Budget Statement*

In 2019-20 the OOSGG will receive $3.5 million for the Administered Capital Budget to sustain the capability and condition of its Heritage properties.

*Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government*

The value of land and buildings is expected to increase in 2019-20 and the forward years due to the completion of projects developed under the Asset Management Strategy.

**3.2 Budgeted financial statements tables**

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



Prepared on Australian Accounting Standards basis.

(a) 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.

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

****Prepared on Australian Accounting Standards basis.

\*Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**

****

Prepared on Australian Accounting Standards basis.

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

****Prepared on Australian Accounting Standards basis.

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

****

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Include purchases from current and previous years' Departmental Capital Budgets (DCBs).

(b) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);

- donations and contributions;

- gifts;

- internally developed assets;

- s74 External Revenue; and

- proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2019-20)



Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No.1) 2019‑20* 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)**



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 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)**



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

****

Prepared on Australian Accounting Standards basis.

(a) 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 2019-20)**



Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No.1) 2019‑20* for depreciation/amortisation expenses, ACBs or other operational expenses

# Torres Strait Regional Authority

**Entity resources and planned performance**

**Torres Strait Regional Authority**

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**Torres Strait Regional Authority**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The Torres Strait Regional Authority (TSRA) is the peak Commonwealth representative body for Torres Strait Islander and Aboriginal people living in the Torres Strait Region.

The role of the TSRA is to progress toward closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait region, and to empower Torres Strait Islander and Aboriginal people living in the region to determine their own affairs based on the *Ailan Kastom* (island custom) of the Torres Strait. The TSRA also provides advice to the Minister for Indigenous Affairs about issues that are relevant to Torres Strait Islander and Aboriginal people living in the Torres Strait region.

The TSRA also performs separate functions under the *Native Title Act 1993* (Cth) as the Native Title Representative Body for the Torres Strait region.

The TSRA’s strategic plan is articulated in the TSRA’s Torres Strait Development Plan 2019–22 (the Development Plan). The Development Plan and its eight program components have been informed and driven by the Torres Strait and Northern Peninsula Area Regional Plan 2009–29 (the Regional Plan) and the goals and aspirations of the residents of the Torres Strait. The TSRA vision, which is shared by both the Regional Plan and the Development Plan, is:

* ‘Empowering our people, in our decision, in our culture, for our future’
* ‘*Ngalpun yangu kaaba woeydhay, a ngalpun muruygaw danalagan mabaygal kunakan palayk, wagel goeygooyika bathayngaka’ (KALA LAGAU YA)*
* ‘*Buaigiz kelar obaiswerare, merbi mir apuge mena obakedi, muige merbi areribi tonarge, ko merbi keub kerkerem’ (MERIAM MIR)*
* *‘Ngalpan moebaygal thoepoeriwoeyamoeyn, ngalpan ya kuduthoeraynu, ngalpan igililmaypa, sepa setha wara goeygil sey boey wagel’ (KALA KAWAU YA).*

The TSRA’s Development Plan also aligns with the Australian Government’s Indigenous Advancement Strategy.

Priority areas for TSRA include:

* continuing to drive the regional planning processes, including improving the integration of service delivery between governments at all levels working in the region and engaging with local stakeholders, informing them of the TSRA’s Development Plan
* monitoring, evaluating and delivering advice on the sustainable management of the natural resources (land and sea) of the Torres Strait communities. This includes the sustainable use of marine turtle and dugong, engagement with neighbouring Papua New Guinea treaty villages on environmental issues and maintaining the natural resource base to foster economic opportunity and maintain the cultural values that are linked to natural assets
* implementing the Torres Strait Climate Change Strategy to help reduce climate change risks and build regional and community resilience while building an understanding to inform a flexible and adaptive approach to responding to future uncertainties
* enhancing the Torres Strait region’s wealth by creating sustainable industries and increasing employment opportunities for our people equivalent to the wider Australian community
* protecting, maintaining and progressing Native Title rights and recognition over the Torres Strait region’s land and sea country
* securing whole-of-government infrastructure investment for Torres Strait Communities in the region to support healthy homes and healthy living environments, including progressing the Major Infrastructure Programme (MIP), a bilateral commitment between the Australian and Queensland Governments, to build essential health infrastructure in the region including water supply and reticulation; sanitation and wastewater; community roads and drainage; serviced housing lots; and asset sustainability
* improving access to safe and accessible community infrastructure and improved land and sea communications systems
* protect, promote, revitalise and maintain Torres Strait Islander and Aboriginal traditions and cultural heritage
* leading the coastal management infrastructure project to protect existing community infrastructure from rising seawater.

Further details of the TSRA’s objectives and performance monitoring are set out in Section 2 of this document.

**1.2 Entity resource statement**

Table 1.1 shows the total funding from all sources available to TSRA 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 entity’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 (i.e. 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: TSRA resource statement - Budget estimates for 2019-20 as at Budget April 2019**



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

Prepared on a resourcing (i.e. appropriations available) basis.

(a*) Appropriation Bill (No. 1) 2019-20*

(b*) Appropriation Bill (No. 2) 2019-20*

(c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills.

**1.3 Budget measures**

TSRA has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for TSRA can be found at: http://www.tsra.gov.au/\_\_data/assets/pdf\_file/0014/21335/TSRA\_2018-2019\_Corporate\_Plan.pdf

The most recent annual performance statement can be found at: http://www.tsra.gov.au/news-and-resources/annual-reports/annual-report-2017-2018/section-2-programme-performance/annual-performance-statements

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: Progress towards closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait Region through development planning, coordination, sustainable resource management, and preservation and promotion of Indigenous culture.** |

**Budgeted expenses for Outcome 1**

This table shows how much TSRA 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**



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 criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

| **Outcome 1: Progress towards closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait Region through development planning, coordination, sustainable resource management, and preservation and promotion of Indigenous culture.** | |
| --- | --- |
| **Program 1.1** – The objective of this program is currently delivered through eight activities, which are derived from the Development Plan | |
| **Delivery** | Increasing economic development by:  • improving commercial capability of Torres Strait Islander and Aboriginal people in the region  • providing access to capital for commercially viable businesses.  Improving the use of fisheries by:  • Implementing commercially and environmentally sustainable strategies to increase Torres Strait Islander and Aboriginal ownership of the local fishing industry.  Maintaining culture, art and heritage by:  • supporting an active and sustainable arts and craft industry in the region  • integrating cultural values and protocols into service planning and management practice  • preserving and promoting cultural heritage and histories of the region.  Improving Native Title claim outcomes by:  • assisting with negotiating successful Future Acts and Indigenous Land Use Agreements  • assisting with Native Title claims  • supporting Prescribed Body Corporates to understand and meet their responsibilities under the Native Title Act.  Improving environmental management by:  • strengthening sustainable use, protection and management of natural and cultural resources  • facilitating community adaptation to climate change impacts, including sea level rise  • supporting community sustainable horticulture.  Enhancing governance and leadership by:  • improving communication, cultural competence and service delivery within a community development framework across governments  • strengthening Torres Strait Islander and Aboriginal organisational leadership and governance.  Improving Community health and safety by:  • investing in whole-of-government infrastructure to support healthy homes and healthy living environments  • implementing policies to support community managed delivery of primary and public health care services based on regional needs and priorities  • improving access to affordable fresh and healthy foods  • ensuring affordable home ownership is available across the region.  • investing in effective community and social services  • supporting law enforcement and community safety programs  • ensuring communities have access to appropriate transport infrastructure. |

| **Performance information** | | |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | * Increase in the number of Torres Strait Islander and Aboriginal owned commercially viable businesses * Increased availability of approved business training * Increases in catches by Torres Strait and Aboriginal Fishers relative to total allowable catch, strengthening claims for increased ownership * Increase in the number of emerging and professionally active artists and cultural practitioners that have access to information and support to ensure copyright and intellectual property rights * Number of Native Title claims successfully determined * Number of Indigenous Land Use Agreements (ILUA) that have compensation or other benefits as part of ILUA terms * Number of endorsed community based management plans for the natural and cultural resources of the region being actively implemented * Increase the level of engagement of elected Torres Strait Islander and Aboriginal leaders in policy development and decision-making * Number of PBCs that achieve Office of the Registrar of Indigenous Corporations (ORIC) compliance as at 31 December each year * Increased investment into new and existing regional environmental health infrastructure.   In addition to the criteria above:   * the percentage ownership of Torres Strait Commercial Fisheries by Torres Strait Islanders and Aboriginal People in the region * improve regional environmental health, telecommunication and marine infrastructure. | The Benefits and Targets for each of the TSRA’s eight activity areas are set out in the TSRA’s  (2019-2022) Development Plan. |
| 2019-20 | * As per 2018-19 | As per 2018-19. |
| 2020-21 and beyond | * As per 2019-20 | As per 2019-20. |
| **Purposes** | The TSRA’s Purpose Statement, in the Corporate plan – is the same as the TSRA’s Outcome Statement above. | |

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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*

This statement provides a picture of the expected financial results for the TSRA by identifying full accrual expenses and revenues, which highlights whether the TSRA is operating at a sustainable level. The TSRA is forecasting income of $48.4 million and expenditure of $48.4 million resulting in a breakeven result for the 2019-20 financial year.

*Budgeted Departmental Balance Sheet*

The TSRA’s forecast balance sheet for the financial year ending 30 June 2020 shows the TSRA with total assets of $89.2 million and liabilities of $6.8 million, resulting in a net asset position of $82.4 million.

*Budgeted Departmental Statement of Cash Flows*

Predicted departmental cash flows have been adjusted to reflect the anticipated impact on cash after taking into account the forecast movements in the Departmental Balance Sheet (Table 3.2) and Comprehensive Income Statement (Table 3.1). The agency is forecasting a cash position of $2.5 million for the financial year ending 30 June 2020.

*Departmental Capital Budget Statement and Statement of Asset Movements*

The TSRA has a Capital Management Plan that is linked to the TSRA’s Departmental Capital Budget Statement (Table 3.5). The TSRA is forecast to spend $5.5 million on capital expenditure in the 2019-20 financial year.

**3.2. Budgeted financial statements tables**

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

\*Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**

****

Prepared on Australian Accounting Standards basis.

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

****Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

* + - * 1. Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
        2. Includes current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB).

**Table 3.6: Statement of departmental asset movements (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No.1) 2019-20* for depreciation/amortisation expenses, DCBs or other operational expenses.

# Workplace Gender Equality Agency

**Entity resources and planned performance**

**Workplace Gender Equality Agency**

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**Workplace Gender Equality Agency**

Section 1: Entity overview and resources

**1.1 Strategic direction statement**

The Workplace Gender Equality Agency (WGEA) is established by the *Workplace Gender Equality Act 2012* (the Act) and is charged with promoting and improving gender equality in Australian workplaces.

The Act requires non-public sector employers with 100 or more employees to submit a report to WGEA annually against standardised gender equality indications (GEIs):

* GEI 1: gender composition of the workforce
* GEI 2: gender composition of governing bodies
* GEI 3: equal remuneration between women and men
* GEI 4: availability and utility of employment terms, conditions and practices relating to flexible working arrangements for employees and to working arrangements supporting employees with family or caring responsibilities
* GEI 5: consultation with employees on issues concerning gender equality in the workplace
* GEI 6: sex-based harassment and discrimination.

WGEA’s dataset provides a comprehensive picture of the state of gender equality in Australian workplaces.

Over the five years of reporting, there has been a strong increase in employer action on gender equality. As employers have taken action, gender equality outcomes have improved and the gender pay gap has declined. There has been solid growth in the number of women moving into management roles and increased employer commitment to promoting flexible work.

WGEA’s data also shows the areas where more effort and improvement is needed by employers. Gender segregation remains deeply entrenched across Australian industries, occupations and workplaces and access to parental leave has virtually stalled. Although the proportion of women in management overall has increased, most senior roles, especially at the CEO level, are still dominated by men.

WGEA’s growing dataset is a valuable resource for employers, employees and researchers. The breadth of data collected means that Australia has the most comprehensive dataset of this kind in the world. There has been growing international interest in WGEA’s work, and Australia’s approach to gender equality reporting and data collection. A number of countries and individual organisations contacted WGEA for information, advice and guidance.

The data set underpins WGEA’s activities to promote workplace gender equality in a range of ways. These include:

* the annual publication of key findings in *Australia’s gender equality scorecard*
* the publication of organisation-specific public reports, which provide information on a range of gender equality policies, strategies and practices for reporting organisations
* providing each employer with a confidential customised competitor analysis benchmark report
* WGEA’s Data Explorer—an interactive tool which allows the public to drill down into WGEA’s data and examine gender equality indicators by industry
* research partnerships to glean further insights from the data into drivers of improved gender equality outcomes
* an extensive public speaking program presenting data insights
* the development of educational tools and resources and delivery of educational workshops and events
* the WGEA Employer of Choice for Gender Equality citation recognising leading practice
* the Pay Equity Ambassador program, building a network of business leaders advocating for business commitment to pay equity
* extensive engagement with business, government and the community to drive public awareness and debate of gender equality issues.

The strategic priorities of WGEA in 2019–20 and the forward years are to increase WGEA’s impact and reach, realise the potential of the dataset and to develop the WGEA team.

WGEA believes Australia is well positioned to capitalise on the economic benefits that improved workplace gender equality can deliver and will continue to work towards the vision that women and men are equally represented, valued and rewarded in Australian workplaces.

More information about WGEA is available on the website, www.wgea.gov.au where the WGEA Corporate Plan is also published.

**1.2 Entity Resource Statement**

Table 1.1 shows the total funding from all sources available to WGEA 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 WGEA’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: WGEA resource statement — Budget estimates for 2019-20 as at Budget April 2019**



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. Annual appropriation amounts appearing for 2018-19 do not include the *Appropriation Bills (No. 3)* *and (No. 4) 2018-2019*, as they had not been enacted at the time of publication.
2. Estimated adjusted balance carried forward from previous year.
3. *Appropriation Bill (No.1) 2019-20.*
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**

WGEA has no budget measures in the 2019-20 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 enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity’s complete performance story.

The most recent corporate plan for WGEA can be found at: www.wgea.gov.au/about-us/corporate-plan.

The most recent annual performance statement can be found at: www.wgea.gov.au/about-us/annual-reports.

**2.1 Budgeted expenses and performance for Outcome 1**

|  |
| --- |
| **Outcome 1: Promote and improve gender equality in Australian workplaces including through the provision of advice and assistance to employers and the assessment and measurement of workplace gender data.** |

**Budgeted expenses for Outcome 1**

This table shows how much WGEA 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

(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, amortisation expenses, make good expenses and audit fees.

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 criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 Budget measures have created new programs or materially changed existing programs.

|  |  |  |
| --- | --- | --- |
| **Outcome 1 – Promote and improve gender equality in Australian workplaces including through the provision of advice and assistance to employers and the assessment and measurement of workplace gender data.** | | |
| **Program 1.1** **– Workplace Gender Equality**  WGEA will deliver on Outcome 1 by assisting relevant employers to report to WGEA; educating employers on improving gender equality outcomes; promoting and contributing to understanding, acceptance and public discussion of gender equality in the Australian workplace; using gender equality data to improve workplace gender equality and fostering compliance with the reporting and transparency provisions of the Act. | | |
| **Delivery** | Key activities to support the purpose of WGEA are:   1. advising and assisting employers to promote and improve gender equality in the workplace including providing advice and assistance on the collection and analysis of workplace data 2. undertaking research, educational and other programs designed to promote and improve gender equality in the workplace 3. promoting and contributing to understanding, acceptance and public discussion of gender equality in the workplace 4. reviewing compliance with the Act by relevant employers. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2018-19 | Measuring the progress of gender equality in Australian workplaces through analysis of reporting data | * Movement in the gender pay gap * Improved gender composition in leadership * Increase in employer actions to address gender equality * Analysis of five-year trends   **Assessment:** Targets on track |
| Broadening the stakeholder base for promotion of gender equality in Australian workplaces | * Increase in the number of organisations participating in WGEA’s leading practice programs * Stakeholders use WGEA tools and resources to promote gender equality in their own networks   **Assessment:** Targets on track |
| Increasing WGEA’s impact and reach internationally | * Visits to WGEA from international delegations * Interviews with international media outlets * Participation in international events   **Assessment:** Targets on track |

|  |  |  |
| --- | --- | --- |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2019-20 | Gender equality continues to be recognised as a mainstream business issue | * Increased use of gender data in business reporting * Continued improvement relating to flexible working arrangement and working arrangements to support employees with family or caring responsibilities |
| Analyse WGEA data to provide targeted and accessible insights | * Circulation of targeted employer resources based on analysis of WGEA’s dataset to improve key gender equality outcomes in their own workplace and industry * Website incorporates data visualisation functionality * Establish new research partnerships |
| WGEA meets key milestones in the development of a new reporting and data management system | * Identify and incorporate areas of improvement for reporting and leading practice and analysis outputs * Development of requirements for new reporting and data management system |
| 2020-21 and beyond | WGEA implements a fit-for-purpose reporting and data management system that provides for expanded voluntary reporting | * Employers report utilising new reporting and data management system * Increased take-up and use of education and communication tools |
| WGEA data collection is relevant to the workforce of the future | * Reporting framework is assessed and recommendations made to Government * Minimum standards reflect community expectations of employers regarding workplace gender equality |
| **Purposes** | WGEA is charged with promoting and improving gender equality in Australian workplaces, including through the provision of advice and assistance to employers and the assessment and measurement of workplace gender data. | |

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019-20 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**

WGEA is budgeting for a break-even net cost of service for 2018-19 and the forward estimates.

Total revenue for WGEA in 2019-20 is budgeted at $5.7 million (2018-19: $5.9 million) and comprises:

* revenue from Government (appropriation funding) of $5.5 million: and
* own source revenue of $0.13 million.

Operating expenses in 2019-20 are estimated to total $5.8 million (2018-19: $6.6 million). The reduction in operating expenses in 2019-20 is attributed to lower depreciation and amortisation expenses compared to 2018-19 and change in the activities related to the Mid-Year Economic and Fiscal Outlook measureWomen’s Economic Security Package that provides $0.96 million in 2018-19 compared to $0.67 million in 2019-20.

Total assets at the end of the 2019-20 year are estimated to be $4.4 million. The majority of the assets represent receivables (appropriation receivables) and intangible assets.

Total liabilities for 2019-20 are estimated at $0.9 million. The largest liability items are accrued expenses and accrued employee entitlements.

**3.2. Budgeted financial statements tables**

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



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.

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



Prepared on Australian Accounting Standards basis.

\*Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019-20)**



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



'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 2019‑20)**



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).

Glossary and Acronyms

| Term | Meaning |
| --- | --- |
| Accumulated depreciation | The aggregate depreciation recorded for a particular depreciating asset. |
| Actual available appropriation | The actual available appropriation indicates the total appropriations available to the entity for 2016-17 as at the 2017-18 Budget. It includes all appropriations made available to the entity in the year (+/- Section 75 transfers, formal reductions, advance to the Finance Minister and movements of funds). It is the same as the comparator figure included in the Appropriation Bills and, as such, provides a comparison with the appropriation proposed for the Budget year |
| Administered item | Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the Consolidated Revenue Fund (CRF) at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right. |
| Appropriation | An amount of public money parliament authorises for spending (i.e. funds to be withdrawn from the CRF). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes in the Appropriation Acts. |
| Appropriation Bill  (No. 1) | This Bill proposes spending from the CRF for the ordinary annual services of government. Bills proposing appropriations for ordinary annual services cannot be amended by the Senate under Section 53 of the Australian Constitution. Once the Bill is passed by Parliament and given Royal Assent, it becomes Appropriation Act (No. 1). |
| Appropriation Bill  (No. 2) | This Bill proposes spending from the CRF for purposes other than the ordinary annual services of government. Under existing arrangements between the two Houses of Parliament, this Bill includes appropriation funding of administered expenses for new outcomes, for payments to the states and territories, and for departmental or administered capital. Funding for extensions to existing programs can be included in Appropriation Bill (No. 1). Once the Bill is passed by Parliament and given Royal Assent, it becomes Appropriation Act (No. 2). |
| Appropriation Bills (Nos. 3 and 4) | If an amount provided in Appropriation Acts (Nos. 1 or 2) is not enough to meet approved expenditure in a financial year, supplementary appropriation may be sought in Appropriation Bills (Nos. 3 or 4). Once these Bills are passed by Parliament and given royal assent, they become the Appropriation Acts (Nos. 3 and 4). They are also commonly referred to as the Additional Estimates Bills. |
| Assets | Future economic benefits controlled by an entity as a result of past transactions or other past events. |
| Average staffing level | The average number of employees receiving salary/wages (or compensation in lieu of salary/wages) over a financial year, with adjustments for casual and part-time employees to show the full-time equivalent. |
| Budget Paper 1 (BP1) | Budget Strategy and Outlook. Provides information and analysis on whole-of-government expenditure and revenue. |
| Budget Paper 2 (BP2) | Budget Measures. Provides a description of each budget measure by portfolio. |
| Budget Paper 3 (BP3) | Australia’s Federal Relations. Provides information and analysis on federal funding provided to the states and territories. |
| Budget Paper 4 (BP4) | Entity Resourcing. Details total resourcing available to agencies. |
| Capital Expenditure | Expenditure by an entity on capital projects; for example, purchasing a building. |
| Consolidated Revenue Fund (CRF) | The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government. |
| Departmental Capital Budget (DCB) | Net cash appropriation arrangements involve the cessation of funding for depreciation, amortisation and make good expenses. Funding for these expenses has been replaced with a collection development and acquisition budget (CDAB) for designated collection institutions (DCIs), and departmental capital budgets (DCBs). |
| Departmental item | Resources (assets, liabilities, revenues and expenses) that entity chief executive officers control 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. |
| Equity or net assets | Residual interest in the assets of an entity after deduction of its liabilities. |
| Entity | A department, agency, company or authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) or any other Commonwealth statutory authority. |
| Estimated actual expenses | Details of the current year’s estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates. |
| Expenditure | Spending money from the Consolidated Revenue Fund or a notional payment to a PGPA entity. |
| Expense | Decreases in economic benefits in the form of outflows or depletions of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. |

| **Term** | **Meaning** |
| --- | --- |
| Expenses not requiring appropriation in the Budget year | Expenses not involving a cash flow impact are not included within the calculation of an appropriation. An example of such an event is goods or services received free of charge that are then expensed; for example, ANAO audit services. The ANAO does not charge for audit services; however, the expense must be recognised. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating appropriation amounts to be sought from Parliament. |
| Forward estimates period | The three years following the Budget year. For example if 2015-16 is the Budget year, 2016-17 is forward year 1, 2017-18 is forward year 2 and 2018‑19 is forward year 3. This period does not include the current or Budget year. |
| Funds | Money that has been appropriated but not drawn from the Consolidated Revenue Fund. |
| Income | Total value of resources earned or received to cover the production of goods and services. |
| Make good | Make good is the cost of dismantling and removing an item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. A common example of make good in the public sector is the restoration of office premises at the end of a lease period. |
| 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. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, and in the Mid-Year Economic and Fiscal Outlook (MYEFO). |

| **Term** | **Meaning** |
| --- | --- |
| 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. |
| ‘Movement of Funds’ between years | A ‘movement of funds’ process is carried out twice each year in relation to un-expensed administered operating appropriations. This involves portfolio ministers submitting requests to the Finance Minister advising of timing changes to funding requirements. If agreed by the Finance Minister, there will be an increase in the amount appropriated in later year(s). |
| Net cash framework | The net cash framework, implemented from the 2010-11 Budget, replaces funding for depreciation and amortisation expenses with a departmental capital budget (DCB) and the funding of make good expenses will cease to be paid in advance.  The net cash framework applies to general government sector entities that receive funding from annual appropriations directly or via a special account, with the exception of the Department of Defence. |
| Non-operating | Sometimes called ‘capital’ costs. |
| Official Public Account (OPA) | The OPA is the Australian Government’s central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund. |
| Operating | Normally related to ongoing, or recurring expenses, such as paying salaries or making program payments. |
| Operating result | Equals income less expenses. |
| Outcome | An outcome is the intended result, consequence or impact of government actions on the Australian community. |
| Public Governance, Performance and Accountability Act  2013 (PGPA Act) | The PGPA Act is the principal legislation concerning the governance, performance and accountability of, and the use and management of public resources by the Commonwealth. |
| Portfolio Budget Statements | Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each 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 running costs allocated to a program. This is funded as part of the entity’s departmental appropriations. |
| Special account | Balances existing within the CRF that are supported by standing appropriations, PGPA Act s.78, s.79 and s.80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a special account can only be spent for the purposes of the special account. Special accounts can only be established by a written determination of the Finance Minister (s. 78 of the PGPA Act) or through an Act of Parliament (referred to in s. 80 of the PGPA Act). |
| Special appropriations (including standing appropriations) | An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the CRF does not generally cease at the end of the financial year.  Standing appropriations are a subcategory consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation. |

Frequently used acronyms

|  |  |
| --- | --- |
| ABA | Aboriginals Benefit Account |
| AAO | Administrative Arrangements Order |
| AAS | Australian Accounting Standards |
| ACB | Administered Capital Budget |
| AGD | Attorney General’s Department |
| AGE | Australian Government Employee |
| AGIE | Australian Government Indigenous Expenditure |
| AIATSIS | Australian Institute of Aboriginal and Torres Strait Islander Studies |
| AHL | Aboriginal Hostels Limited |
| ALC | Anindilyakwa Land Council |
| ALRA | Aboriginal Land Rights (Northern Territory) Act 1976 |
| ANAO | Australian National Audit Office |
| ATSI Act | Aboriginal and Torres Strait Islander Act 2005 |
| APS | Australian Public Service |
| APSC | Australian Public Service Commission |
| CDAB | Collection Development and Acquisition Budget |
| CDB | Collection Development Budget |
| CDEP | Community Development Employment Projects |
| CEO | Chief Executive Officer |
| CLC | Central Land Council |
| COAG | Council of Australian Governments |
| CRF | Consolidated Revenue Fund |
| DCB | Departmental Capital Budget |
| DHS | Department of Human Services |
| DTA | Digital Transformation Agency |
| DSS | Department of Social Services |
| FOI | Freedom of Information |
| G20 | Group of 20 Meeting |
| GFS | Government Finance Statistics |
| IBA | Indigenous Business Australia |
| ILSC | Indigenous Land and Sea Corporation |
| KPI | Key Performance Indicator |
| MOU | Memorandum of Understanding |
| MYEFO | Mid-Year Economic and Fiscal Outlook |
| NADC | National Australia Day Council |
| NLC | Northern Land Council |
| NQLIRA | North Queensland Livestock Industry Recovery Agency |
| OBS | Outback Stores Pty Ltd |
| ONI | Office of National Intelligence |
| OOSGG | Office of the Official Secretary to the Governor-General |
| OPA | Official Public Account |
| OTM | Other Trust Monies |
| PAES | Portfolio Additional Estimates Statements |
| PBC | Prescribed Bodies Corporate under the Native Title Act 1993 and the Native Title (Prescribed Bodies Corporate) Regulations 1999 |
| PGPA Act 2013 | Public Governance, Performance and Accountability Act 2013 |
| PM&C | Department of Prime Minister and Cabinet |
| S74 | Section 74 Retained Revenue Receipts (PGPA Act) |
| SOETM | Services for Other Entities and Trust Monies special accounts |
| TLC | Tiwi Land Council |
| TSRA | Torres Strait Regional Authority |
| WBACC  WGEA | Wreck Bay Aboriginal Community Council  Workplace Gender Equality Agency |